

SESSION OF 2021

SUPPLEMENTAL NOTE ON SENATE BILL NO. 31

As Recommended by Senate Committee on
Education

Brief*

SB 31 would amend the Capital Improvement State Aid schedule for general obligation bonds issued by school districts. The bill would exclude Unified School District (USD) 207 (Fort Leavenworth) from the state aid schedule for general obligation bond issuances approved at an election held on or after July 1, 2021. The bill would also exclude students enrolled in virtual schools from the assessed valuation per pupil (AVPP) used when determining the state aid schedule for bonds approved at an election held on or after July 1, 2021.

The bill would also make technical changes.

Background

The bill was introduced by the Senate Committee on Education at the request of Senator Dietrich.

[*Note:* The bill contains similar provisions to those of 2020 SB 382, as amended by the Senate Committee on Education.]

Senate Committee on Education

In the Senate Committee hearing, **proponent** testimony was provided by representatives of the Concordia Public Schools (USD 333), Kansas Association of School Boards,

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

and Piper Sandler & Co. **Proponent** testimony generally stated this bill would amend the law to better represent the intent of the Capital Improvement State Aid by addressing an unintended consequence. They stated the bill would lead to more equal and adequate funding for school districts and would allow school districts to address their needs in a more timely manner.

Written-only **proponent** testimony was provided by representatives of Chanute Public Schools (USD 413), Kansas State Department of Education, Olathe Public Schools (USD 233), Schools for Quality Education, Solomon Schools (USD 393), Valley Center Schools (USD 262), Valley Heights (USD 498), and Wellsville (USD 289).

Written-only neutral testimony was provided by representatives of the State Board of Education, stating the bill would make reasonable amendments addressing an equity concern within current law.

No other testimony was provided.

Fiscal Note

According to the fiscal note prepared by the Division of the Budget on the bill, the Department of Education (Department) estimates enactment of the bill would be negligible for FY 2022, as state aid is not determined by when the bond issue is approved by voters, but when a school district draws down the funding for construction. The Department noted it is likely that few districts would pass a bond issuance after July 1, 2021, and then be eligible for state aid by FY 2022. In the long term, the Department notes a fiscal effect cannot be estimated without knowing which school districts would approve bond issues and how much bonding authority would be authorized. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2022 Governor's Budget Report*.

Education; Capital Improvement State Aid; Leavenworth