



Oral, Proponent Testimony before the

House Committee on K-12 Education Budget

on

HB 2636 – Repealing the statutory limit on Kansas State Board of Education approval of school district bond issuance.

by

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March 12, 2018

Mr. Chairman, Members of the Committee,

Thank you for the opportunity to testify in support of HB 2636. Because there were no hearings on the provision of last year's bill, SB 19, which this bill repeals, we did not have the opportunity to testify. The passage of a limit on school bond issues took many school leaders by surprise and it seems many legislators were not fully aware of the implications of this policy.

In December, the KASB Delegate Assembly adopted a resolution including the following legislative goal: "Repeal or modify the statewide cap on bonded indebtedness to ensure districts can address capital infrastructure needs." We support this change for the following reasons.

1. The current bond law limits new bond issuance to the amount of debt retired in the previous year, which is expected to fluctuate from year to year. It does not take in account growth in inflation, student enrollment, higher building costs and changes in standards, such school security or efficiency.
2. School districts have issued more bonded debt for each of reasons listed above. Statewide enrollment has been growing. School construction costs are increasing faster than the rate of inflation. School districts have added safety features from secure rooms for tornadoes to preventing intruders. Districts have also been expanding facilities for specialized programs like career and technical education and other college preparation and career exploration activities. Finally, we know that investing in new buildings, remodeling and equipment can save utility and maintenance costs.
3. Current law ignores all of these reasons for capital expenditures and potentially requires districts to get in line for a limited amount of available funding each year that has no relation to actual needs.
4. School bond issues are already subject to direct voter approval. Even with more bond issues and increasing capital improvement aid, total Kansas school district expenditures are well below 2009 levels when adjusted for inflation and far below the historic average compared to Kansas total personal income.
5. Finally, in addition to the benefits to school districts, school building construction is a benefit to the Kansas economy, creating construction jobs and purchases.

We urge you to support HB 2636.

Thank you for your consideration.