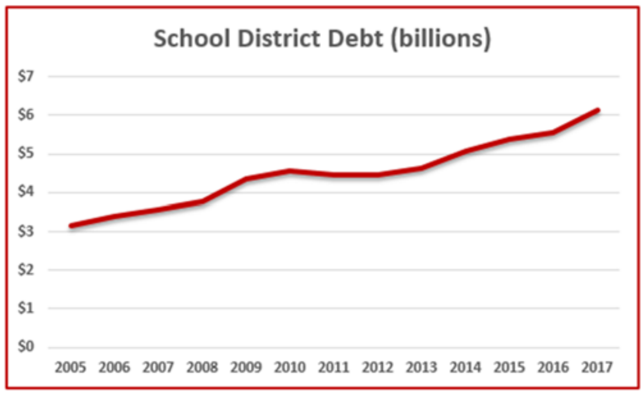
HB 2636 Opponent Testimony – in person
House K-12 Education Budget Committee
Repealing limit on school district bond issuances
Dave Trabert – President
March 12, 2018

Chairman Patton and Members of the Committee,

We appreciate this opportunity to testify in opposition to HB 2636, which would remove the statutory limit on school district bond issuances.

Our opposition is primarily that the dramatic growth in state matching funds associated with many bond issues diverts money that could be used for instruction, but we're also concerned about the 'taxation without representation' aspect of school bond issues; the unchecked ability of districts to effectively force non-district residents to pay a portion of the cost should be addressed by an independent panel examining the necessity and cost of each project to protect taxpayers.

Data from the Department of Education shows outstanding school district debt set a new record at $6.1 billion last year; that's nearly double the amount outstanding in 2005.



The average debt per-pupil (only counting enrollment at districts with debt) is $14,715. A few districts owe less than $1,000 per student but two districts – Dighton and El Dorado – owe more than $50,000 per student. Another 58 districts owe more than $25,000 per student.

By the way, the most current U.S. Census data shows Kansas school districts had the 8th highest per-student debt load in the nation in 2015.

New debt issuance has also caused Bond & Interest state aid to jump from $52 million in 2005 to $180 million last year. To put that in perspective, had Bond & Interest aid remained steady over that period, $659 million more could have been available to fund Instruction.

Accordingly, we encourage the committee to reject HB 2636 and thank the committee for its consideration.