

HOUSE BILL No. 2013

By Select Committee on School Finance

6-23

9 AN ACT concerning schools and school districts; relating to school fi-
10 nance; amending K.S.A. 72-6405, as amended by section 19 of 2005
11 Senate Bill No. 43, 72-6410, as amended by section 14 of 2005 House
12 Bill No. 2247, 72-6412, as amended by section 15 of 2005 House Bill
13 No. 2247, 72-6413, as amended by section 16 of 2005 House Bill No.
14 2247, 72-6414, as amended by section 17 of 2005 House Bill No. 2247,
15 72-6426 and section 3 of 2005 House Bill No. 2247, and K.S.A. 2004
16 Supp. 72-978, as amended by section 10 of 2005 House Bill No. 2247,
17 72-6407, as amended by section 16 of 2005 Senate Bill No. 43, and
18 72-6434, as amended by section 24 of 2005 House Bill No. 2247, and
19 repealing the existing sections.

20
21 *Be it enacted by the Legislature of the State of Kansas:*

22 New Section 1. (a) There is hereby established the at-risk education
23 council. The council shall be composed of six members as follows:

- 24 (1) One member appointed by the president of the senate;
25 (2) one member appointed by the minority leader of the senate;
26 (3) one member appointed by the speaker of the house of
27 representatives;
28 (4) one member appointed by the minority leader of the house of
29 representatives;
30 (5) the commissioner of education or a designee thereof; and
31 (6) a member appointed by the governor who shall be the chairperson
32 of the council. Such person shall be selected from two nominations sub-
33 mitted to the governor by the president of the senate and two nominations
34 submitted by the speaker of the house of representatives.

35 (b) Members shall be selected with special reference to training, ex-
36 perience or expertise in serving at-risk children. No members of the leg-
37 islature may be appointed to the council.

38 (c) All members of the council shall serve at the pleasure of the ap-
39 pointing authority.

40 (d) Members of the council attending regular or special meetings or
41 subcommittee meetings authorized by the council, shall be paid amounts
42 for expenses, mileage and subsistence as provided in subsection (e) of
43 K.S.A. 75-3223, and amendments thereto. Expenses for the commission

1 shall be part of the budget of the legislative coordinating council and shall
2 be subject to the council's approval.

3 (e) The council may meet at any time and at any place within the
4 state on the call of the chairperson as authorized by the legislative coor-
5 dinating council. A quorum of the council shall be four members. All
6 actions of the council shall be by motion adopted by a majority of those
7 voting members present when there is a quorum.

8 (f) In accordance with K.S.A. 46-1204, and amendments thereto, the
9 legislative coordinating council may provide for such professional services
10 as may be requested by the council.

11 (g) The staff of the office of the revisor of statutes, the legislative
12 research department and the division of legislative administrative services
13 shall provide such assistance as may be requested by the council. Upon
14 request of the council, the state board of education and the center for
15 innovative school leadership established pursuant to K.S.A. 2004 Supp.
16 76-767, and amendments thereto, shall provide consultants and assistance
17 when requested by the council. In addition and upon the request of the
18 council, the state board of education and school districts shall provide any
19 information and supporting documentation related thereto.

20 (h) The council shall cease to exist on June 30, 2007.

21 New Sec. 2. (a) The at-risk education council shall:

22 (1) Identify those conditions or circumstances which contribute to
23 making a student at-risk for not succeeding in school;

24 (2) develop and recommend programs and services which meet the
25 needs of at-risk students;

26 (3) develop and recommend programs and services which help close
27 the achievement gap;

28 (4) develop and recommend tools to assess and evaluate the effect-
29 iveness of at-risk programs; and

30 (5) recommend funding alternatives for at-risk programs.

31 (b) On or before October 1, 2006, the council shall submit a report
32 on its activities to the 2010 commission and the governor. On or before
33 October 1, 2007, the council shall submit its final report, including its
34 recommendations, to the 2010 commission and the governor.

35 New Sec. 3. The correlation weighting of each district with 1,665 or
36 over enrollment shall be determined by the state board as follows:

37 (a) Determine the schedule amount for a district with 1,665 enroll-
38 ment as derived from the linear transition under (d) of K.S.A. 72-6412,
39 and amendments thereto, and subtract the amount determined under (c)
40 of K.S.A. 72-6412, and amendments thereto, from the schedule amount
41 so determined;

42 (b) divide the remainder obtained under (a) by the amount deter-
43 mined under (c) of K.S.A. 72-6412, and amendments thereto, and mul-

- 1 multiply the quotient by the enrollment of the district in the current school
2 year. The product is the correlation weighting of the district.
- 3 New Sec. 4. (a) There is hereby established in the state treasury the
4 school district capital outlay state aid fund. Such fund shall consist of all
5 amounts transferred thereto under the provisions of subsection (c).
- 6 (b) In each school year, each school district which levies a tax pur-
7 suant to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled
8 to receive payment from the school district capital outlay state aid fund
9 in an amount determined by the state board of education as provided in
10 this subsection. The state board of education shall:
- 11 (1) Determine the amount of the assessed valuation per pupil (AVPP)
12 of each school district in the state and round such amount to the nearest
13 \$1,000. The rounded amount is the AVPP of a school district for the
14 purposes of this section;
- 15 (2) determine the median AVPP of all school districts;
- 16 (3) prepare a schedule of dollar amounts using the amount of the
17 median AVPP of all school districts as the point of beginning. The sched-
18 ule of dollar amounts shall range upward in equal \$1,000 intervals from
19 the point of beginning to and including an amount that is equal to the
20 amount of the AVPP of the school district with the highest AVPP of all
21 school districts and shall range downward in equal \$1,000 intervals from
22 the point of beginning to and including an amount that is equal to the
23 amount of the AVPP of the school district with the lowest AVPP of all
24 school districts;
- 25 (4) determine a state aid percentage factor for each school district by
26 assigning a state aid computation percentage to the amount of the median
27 AVPP shown on the schedule, decreasing the state aid computation per-
28 centage assigned to the amount of the median AVPP by one percentage
29 point for each \$1,000 interval above the amount of the median AVPP,
30 and increasing the state aid computation percentage assigned to the
31 amount of the median AVPP by one percentage point for each \$1,000
32 interval below the amount of the median AVPP. The state aid percentage
33 factor of a school district is the percentage assigned to the schedule
34 amount that is equal to the amount of the AVPP of the school district,
35 except that the state aid percentage factor of a school district shall not
36 exceed 100%. The state aid computation percentage is 25%;
- 37 (5) determine the amount levied by each school district pursuant to
38 K.S.A. 72-8801 et seq., and amendments thereto;
- 39 (6) multiply the amount computed under (5), but not to exceed 8
40 mills, by the applicable state aid percentage factor. The product is the
41 amount of payment the school district is entitled to receive from the
42 school district capital outlay state aid fund in the school year.
- 43 (c) The state board of education shall certify to the director of ac-

1 counts and reports the entitlements of school districts determined under
2 the provisions of subsection (b), and an amount equal thereto shall be
3 transferred by the director from the state general fund to the school
4 district capital outlay state aid fund for distribution to school districts.

5 (d) Payments from the school district capital outlay state aid fund
6 shall be distributed to school districts at times determined by the state
7 board of education. The state board of education shall certify to the di-
8 rector of accounts and reports the amount due each school district enti-
9 tled to payment from the fund, and the director of accounts and reports
10 shall draw a warrant on the state treasurer payable to the treasurer of the
11 school district. Upon receipt of the warrant, the treasurer of the school
12 district shall credit the amount thereof to the capital outlay fund of the
13 school district to be used for the purposes of such fund.

14 Sec. 5. K.S.A. 2004 Supp. 72-978, as amended by section 10 of 2005
15 House Bill No. 2247, is hereby amended to read as follows: 72-978. (a)
16 Each year, the state board of education shall determine the amount of
17 state aid for the provision of special education and related services each
18 school district shall receive for the ensuing school year. The amount of
19 such state aid shall be computed by the state board as provided in this
20 section. The state board shall:

21 (1) Determine the total amount of general fund and local option
22 budgets of all school districts;

23 (2) subtract from the amount determined in paragraph (1) the total
24 amount attributable to assignment of transportation weighting, program
25 weighting, special education weighting and at-risk pupil weighting to en-
26 rollment of all school districts;

27 (3) divide the remainder obtained in paragraph (2) by the total num-
28 ber of full-time equivalent pupils enrolled in all school districts on Sep-
29 tember 20;

30 (4) determine the total full-time equivalent enrollment of exceptional
31 children receiving special education and related services provided by all
32 school districts;

33 (5) multiply the amount of the quotient obtained in paragraph (3) by
34 the full-time equivalent enrollment determined in paragraph (4);

35 (6) determine the amount of federal funds received by all school dis-
36 tricts for the provision of special education and related services;

37 (7) determine the amount of revenue received by all school districts
38 rendered under contracts with the state institutions for the provisions of
39 special education and related services by the state institution;

40 (8) add the amounts determined under paragraphs (6) and (7) to the
41 amount of the product obtained under paragraph (5);

42 (9) determine the total amount of expenditures of all school districts
43 for the provision of special education and related services;

1 (10) subtract the amount of the sum obtained under paragraph (8)
2 from the amount determined under paragraph (9); and

3 (11) (A) for school year 2005-2006, multiply the remainder obtained
4 under paragraph (10) by ~~85%~~ 92%;

5 (B) for school year, 2006-2007, multiply the remainder obtained un-
6 der paragraph (10) by ~~88%~~ 95%; and

7 (C) for school year 2007-2008 and each year thereafter, multiply the
8 remainder obtained under paragraph (10) by ~~91%~~ 98%.

9 The computed amount is the amount of state aid for the provision of
10 special education and related services aid a school district is entitled to
11 receive for the ensuing school year.

12 (b) Each school district shall be entitled to receive:

13 (1) Reimbursement for actual travel allowances paid to special teach-
14 ers at not to exceed the rate specified under K.S.A. 75-3203, and amend-
15 ments thereto, for each mile actually traveled during the school year in
16 connection with duties in providing special education or related services
17 for exceptional children; such reimbursement shall be computed by the
18 state board by ascertaining the actual travel allowances paid to special
19 teachers by the school district for the school year and shall be in an
20 amount equal to 80% of such actual travel allowances;

21 (2) reimbursement in an amount equal to 80% of the actual travel
22 expenses incurred for providing transportation for exceptional children to
23 special education or related services; such reimbursement shall not be
24 paid if such child has been counted in determining the transportation
25 weighting of the district under the provisions of the school district finance
26 and quality performance act;

27 (3) reimbursement in an amount equal to 80% of the actual expenses
28 incurred for the maintenance of an exceptional child at some place other
29 than the residence of such child for the purpose of providing special
30 education or related services; such reimbursement shall not exceed \$600
31 per exceptional child per school year; and

32 (4) except for those school districts entitled to receive reimbursement
33 under subsection (c) or (d), after subtracting the amounts of reimburse-
34 ment under paragraphs (1), (2) and (3) of this subsection (a) from the
35 total amount appropriated for special education and related services un-
36 der this act, an amount which bears the same proportion to the remaining
37 amount appropriated as the number of full-time equivalent special teach-
38 ers who are qualified to provide special education or related services to
39 exceptional children and are employed by the school district for approved
40 special education or related services bears to the total number of such
41 qualified full-time equivalent special teachers employed by all school dis-
42 tricts for approved special education or related services.

43 Each special teacher who is qualified to assist in the provision of special

1 education or related services to exceptional children shall be counted as
2 $\frac{2}{3}$ full-time equivalent special teacher who is qualified to provide special
3 education or related services to exceptional children.

4 (c) Each school district which has paid amounts for the provision of
5 special education and related services under an interlocal agreement shall
6 be entitled to receive reimbursement under subsection (b)(4). The
7 amount of such reimbursement for the district shall be the amount which
8 bears the same relation to the aggregate amount available for reimburse-
9 ment for the provision of special education and related services under the
10 interlocal agreement, as the amount paid by such district in the current
11 school year for provision of such special education and related services
12 bears to the aggregate of all amounts paid by all school districts in the
13 current school year who have entered into such interlocal agreement for
14 provision of such special education and related services.

15 (d) Each contracting school district which has paid amounts for the
16 provision of special education and related services as a member of a co-
17 operative shall be entitled to receive reimbursement under subsection
18 (b)(4). The amount of such reimbursement for the district shall be the
19 amount which bears the same relation to the aggregate amount available
20 for reimbursement for the provision of special education and related serv-
21 ices by the cooperative, as the amount paid by such district in the current
22 school year for provision of such special education and related services
23 bears to the aggregate of all amounts paid by all contracting school dis-
24 tricts in the current school year by such cooperative for provision of such
25 special education and related services.

26 (e) No time spent by a special teacher in connection with duties per-
27 formed under a contract entered into by the Kansas juvenile correctional
28 complex, the Atchison juvenile correctional facility, the Beloit juvenile
29 correctional facility, the Larned juvenile correctional facility, or the To-
30 peka juvenile correctional facility and a school district for the provision
31 of special education services by such state institution shall be counted in
32 making computations under this section.

33 Sec. 6. K.S.A. 72-6405, as amended by section 19 of 2005 Senate Bill
34 No. 43, is hereby amended to read as follows: 72-6405. (a) K.S.A. 72-
35 6405 through 72-6440 and the provisions of 2005 House Bill No. 2247
36 ~~and~~, sections 1 through 18 of *2005 Senate Bill No. 43 and sections 1*
37 *through 4 of this act*, and amendments thereto, shall be known and may
38 be cited as the school district finance and quality performance act.

39 (b) The provisions of the school district finance and quality perform-
40 ance act are severable. If any provision of that act is held to be invalid or
41 unconstitutional, it shall be presumed conclusively that the legislature
42 would have enacted the remainder of such act without such invalid or
43 unconstitutional provision.

1 Sec. 7. Section 3 of 2005 House Bill No. 2247 is hereby amended to
2 read as follows: (a) ~~In order to assist the legislature in the gathering of~~
3 ~~information which is necessary for the legislature's consideration when~~
4 ~~meeting its constitutional duties to: (1) Provide for intellectual, educa-~~
5 ~~tional, vocational and scientific improvement in public schools established~~
6 ~~and maintained by the state, and (2) make suitable provision for the fi-~~
7 ~~nance of educational interests of the state, the division of post audit shall~~
8 ~~conduct a professional cost study analysis to determine the costs of deliver-~~
9 ~~ing the kindergarten and grades one through 12 curriculum, related~~
10 ~~services and other programs mandated by state statute in accredited~~
11 ~~schools. Subject to the provisions of subsection (b), the cost analysis study~~
12 ~~shall be conducted as directed by the legislative post audit committee.~~
13 ~~—(b) Any study conducted pursuant to subsection (a) shall include:~~
14 ~~—(1) A determination of the services or programs required by state~~
15 ~~statute to be provided by school districts. Such review shall include high~~
16 ~~school graduation requirements, admissions requirements established by~~
17 ~~the state board of regents pursuant to K.S.A. 76-716, and amendments~~
18 ~~thereto, state scholarship requirements established by the state board of~~
19 ~~regents and courses of instruction at various grade levels required by state~~
20 ~~statute.~~
21 ~~—(2) A study of the actual costs incurred in a sample of school districts~~
22 ~~to provide reasonable estimates of the costs of providing services and~~
23 ~~programs required by state statute to be provided by school districts for~~
24 ~~regular elementary and secondary education, including instruction, ad-~~
25 ~~ministration, support staff, supplies, equipment and building costs.~~
26 ~~—(3) A study of the actual costs incurred in a sample of school districts~~
27 ~~to provide reasonable estimates of the costs of providing services and~~
28 ~~programs required by state statute to be provided by school districts for~~
29 ~~specialized education services including, but not limited to, special edu-~~
30 ~~cation and related services, bilingual education and at-risk programs.~~
31 ~~—(4) A study of the factors which may contribute to the variations in~~
32 ~~costs incurred by school districts of various sizes and in various regions~~
33 ~~of the state when providing services or programs required by state statute~~
34 ~~to be provided by school districts. Such study shall include the adminis-~~
35 ~~trative costs of providing such services and programs.~~
36 ~~—(5) An analysis in a sample of districts as determined by the legislative~~
37 ~~post auditor showing such things as:~~
38 ~~—(A) The percent of the estimated cost of providing services and pro-~~
39 ~~grams required by state statute that could have been funded by the var-~~
40 ~~ious types of state aid the districts received in the most recently completed~~
41 ~~school year, as well as the percent funded by the district's local option~~
42 ~~budget;~~
43 ~~—(B) the percent of district funding that is spent on instruction;~~

- 1 ~~—(C) the percent of district funding that is spent on central adminis-~~
2 ~~tration, and~~
3 ~~—(D) the percent of district funding that is spent on support services.~~
4 ~~—(6) A review of relevant studies that assess whether there is a corre-~~
5 ~~lation between amounts spent on education and student performance.~~
6 ~~—(7) A review to determine whether students who are counted as a~~
7 ~~basis for computing funding for specialized educational services are ac-~~
8 ~~tually receiving those services.~~
9 ~~—(8) Any additional reviews or analyses the legislative post auditor con-~~
10 ~~siders relevant to the legislature's decisions regarding the cost of funding~~
11 ~~services or programs required by state statute to be provided by school~~
12 ~~districts.~~
13 *(a) The purpose of this section is to assist the legislature in the gath-*
14 *ering of information which is necessary for the legislature's consideration*
15 *when meeting its constitutional duties to: (1) Provide for intellectual, ed-*
16 *ucational, vocational and scientific improvement in public schools estab-*
17 *lished and maintained by the state; and (2) make suitable provision for*
18 *the finance of educational interests of the state. The division of post audit*
19 *shall conduct a professional cost study analysis to estimate the costs of*
20 *providing programs and services required by law in school year 2004-*
21 *2005.*
22 *(b) As used in this section, "law" means any: (1) State statute; or (2)*
23 *rules and regulations or standards relating to student performance out-*
24 *comes adopted by the state board which are in effect on July 1, 2005.*
25 *(c) The cost study analysis shall be based upon data available through*
26 *school year 2004-2005. Subject to the provisions of subsection (d), the cost*
27 *study analysis shall be conducted as directed by the legislative post audit*
28 *committee.*
29 *(d) Any cost study analysis conducted pursuant to this section shall*
30 *include:*
31 *(1) A determination of the services or programs required by law to*
32 *be provided by school districts and a review of the high school graduation*
33 *requirements and the school performance accreditation system, pupil as-*
34 *sessments and other requirements of K.S.A. 72-6439, and amendments*
35 *thereto.*
36 *(2) A review of the admissions requirements established by the state*
37 *board of regents pursuant to K.S.A. 76-716, and amendments thereto,*
38 *state scholarship requirements established by the state board of regents.*
39 *(3) A study of the actual costs incurred in a sample of school districts*
40 *to provide reasonable estimates of the costs for regular elementary and*
41 *secondary education as required by law, including instruction, adminis-*
42 *tration, support staff, supplies, equipment and building costs.*
43 *(4) A study of the actual costs incurred in a sample of school districts*

- 1 to provide reasonable estimates of the costs for specialized education serv-
2 ices as required by law including, but not limited to, special education
3 and related services, bilingual education and at-risk programs.
- 4 (5) A study of the factors which may contribute to the variations in
5 costs incurred by school districts of various sizes and in various regions
6 of the state when providing services or programs as required by law. Such
7 study shall include all administrative costs of providing program and serv-
8 ices as required by law.
- 9 (6) An analysis in a sample of districts as determined by the legislative
10 post audit or showing such things as:
- 11 (A) The percent of the estimated costs of providing programs and
12 services as required by law that could have been funded by the various
13 types of state aid the districts received in the most recently completed
14 school year, as well as the percent funded by the district's local option
15 budget;
- 16 (B) the percent of district funding that is spent on instruction;
- 17 (C) the percent of district funding that is spent on administration
18 including central administration; and
- 19 (D) the percent of district funding that is spent on support services.
- 20 (7) A review of relevant studies that assess whether there is a corre-
21 lation between amounts spent on education and student performance.
- 22 (8) A review to determine whether students who are counted as a
23 basis for computing funding for specialized educational services are ac-
24 tually receiving those services.
- 25 (9) Any additional reviews or analyses the legislative post auditor
26 considers relevant to the legislature's decisions regarding the cost of fund-
27 ing services or programs required by law.
- 28 (e) In conducting such cost analysis study, historical data and ex-
29 penditures may be used to estimate future reasonable and actual costs so
30 long as any examination of historical data and expenditures corrects any
31 recognized inadequacy of such data or expenditure through a reliable
32 method of extrapolation. The cost study analysis shall incorporate these
33 requirements and any report to the legislature must demonstrate how the
34 incorporation was accomplished.
- 35 ~~(f)~~ (f) In conducting such cost analysis study and subject to the lim-
36 itations of the budget of the division and appropriations therefor, the
37 legislative post auditor may enter into contracts for consultants as the post
38 auditor deems necessary with consultants as needed.
- 39 ~~(g)~~ (g) Following the completion of such cost analysis study, the leg-
40 islative post auditor shall submit a detailed report thereon to the legisla-
41 ture on or before the first day of the 2006 legislative session. If additional
42 time is needed to provide the most accurate information relating to any
43 area of requested study, the legislative post auditor shall so report to the

1 legislature, explaining the reasons for the need for additional time and
2 providing a reasonable time frame for completion of that aspect of the
3 study. In that event, the legislative post auditor shall submit a report on
4 that portion of the study which has been completed before the start of
5 the 2006 legislative session and the balance of such report shall be sub-
6 mitted within the time frame established by the legislative post auditor
7 when requesting additional time.

8 ~~(e)~~ (h) For any agency required to be audited under K.S.A. 74-7283
9 et seq., and amendments thereto, in time to be reviewed and evaluated
10 during the 2006, 2007 or 2008 regular session of the legislature, such
11 review and evaluation shall be moved forward one year.

12 ~~(f)~~ (i) The provisions of this section shall be part of and supplemental
13 to the legislative post audit act.

14 Sec. 8. K.S.A. 2004 Supp. 72-6407, as amended by section 16 of
15 2005 House Bill No. 43, is hereby amended to read as follows: 72-6407.

16 (a) (1) "Pupil" means any person who is regularly enrolled in a district
17 and attending kindergarten or any of the grades one through 12 main-
18 tained by the district or who is regularly enrolled in a district and attend-
19 ing kindergarten or any of the grades one through 12 in another district
20 in accordance with an agreement entered into under authority of K.S.A.
21 72-8233, and amendments thereto, or who is regularly enrolled in a dis-
22 trict and attending special education services provided for preschool-aged
23 exceptional children by the district.

24 (2) Except as otherwise provided in paragraph (3) of this subsection,
25 a pupil in attendance full time shall be counted as one pupil. A pupil in
26 attendance part time shall be counted as that proportion of one pupil (to
27 the nearest $\frac{1}{10}$) that the pupil's attendance bears to full-time attendance.
28 A pupil attending kindergarten shall be counted as $\frac{1}{2}$ pupil. A pupil en-
29 rolled in and attending an institution of postsecondary education which
30 is authorized under the laws of this state to award academic degrees shall
31 be counted as one pupil if the pupil's postsecondary education enrollment
32 and attendance together with the pupil's attendance in either of the
33 grades 11 or 12 is at least $\frac{5}{6}$ time, otherwise the pupil shall be counted
34 as that proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of
35 the pupil's postsecondary education attendance and attendance in grade
36 11 or 12, as applicable, bears to full-time attendance. A pupil enrolled in
37 and attending an area vocational school, area vocational-technical school
38 or approved vocational education program shall be counted as one pupil
39 if the pupil's vocational education enrollment and attendance together
40 with the pupil's attendance in any of grades nine through 12 is at least $\frac{5}{6}$
41 time, otherwise the pupil shall be counted as that proportion of one pupil
42 (to the nearest $\frac{1}{10}$) that the total time of the pupil's vocational education
43 attendance and attendance in any of grades nine through 12 bears to full-

1 time attendance. A pupil enrolled in a district and attending special ed-
2 ucation and related services, except special education and related services
3 for preschool-aged exceptional children, provided for by the district shall
4 be counted as one pupil. A pupil enrolled in a district and attending
5 special education and related services for preschool-aged exceptional chil-
6 dren provided for by the district shall be counted as $\frac{1}{2}$ pupil. A preschool-
7 aged at-risk pupil enrolled in a district and receiving services under an
8 approved at-risk pupil assistance plan maintained by the district shall be
9 counted as $\frac{1}{2}$ pupil. A pupil in the custody of the secretary of social and
10 rehabilitation services and enrolled in unified school district No. 259,
11 Sedgwick county, Kansas, but housed, maintained, and receiving educa-
12 tional services at the Judge James V. Riddel Boys Ranch, shall be counted
13 as two pupils.

14 (3) A pupil residing at the Flint Hills job corps center shall not be
15 counted. A pupil confined in and receiving educational services provided
16 for by a district at a juvenile detention facility shall not be counted. A
17 pupil enrolled in a district but housed, maintained, and receiving educa-
18 tional services at a state institution shall not be counted. A pupil en-
19 rolled in a virtual school in a district but who is not a resident of the state
20 of Kansas shall not be counted.

21 (b) "Preschool-aged exceptional children" means exceptional chil-
22 dren, except gifted children, who have attained the age of three years but
23 are under the age of eligibility for attendance at kindergarten.

24 (c) "At-risk pupils" means pupils who are eligible for free meals un-
25 der the national school lunch act and who are enrolled in a district which
26 maintains an approved at-risk pupil assistance plan.

27 (d) "Preschool-aged at-risk pupil" means an at-risk pupil who has
28 attained the age of four years, is under the age of eligibility for attendance
29 at kindergarten, and has been selected by the state board in accordance
30 with guidelines consonant with guidelines governing the selection of pu-
31 pils for participation in head start programs.

32 (e) "Enrollment" means: (1) (A) Subject to the provisions of para-
33 graph (1)(B), for districts scheduling the school days or school hours of
34 the school term on a trimestral or quarterly basis, the number of pupils
35 regularly enrolled in the district on September 20 plus the number of
36 pupils regularly enrolled in the district on February 20 less the number
37 of pupils regularly enrolled on February 20 who were counted in the
38 enrollment of the district on September 20; and for districts not specified
39 in this paragraph (1), the number of pupils regularly enrolled in the dis-
40 trict on September 20; (B) a pupil who is a foreign exchange student shall
41 not be counted unless such student is regularly enrolled in the district on
42 September 20 and attending kindergarten or any of the grades one
43 through 12 maintained by the district for at least one semester or two

1 quarters or the equivalent thereof;

2 (2) if enrollment in a district in any school year has decreased from
3 enrollment in the preceding school year, enrollment of the district in the
4 current school year means whichever is the greater of (A) enrollment in
5 the preceding school year minus enrollment in such school year of pre-
6 school-aged at-risk pupils, if any such pupils were enrolled, plus enroll-
7 ment in the current school year of preschool-aged at-risk pupils, if any
8 such pupils are enrolled, or (B) the sum of enrollment in the current
9 school year of preschool-aged at-risk pupils, if any such pupils are enrolled
10 and the average (mean) of the sum of (i) enrollment of the district in the
11 current school year minus enrollment in such school year of preschool-
12 aged at-risk pupils, if any such pupils are enrolled and (ii) enrollment in
13 the preceding school year minus enrollment in such school year of pre-
14 school-aged at-risk pupils, if any such pupils were enrolled and (iii) en-
15 rollment in the school year next preceding the preceding school year
16 minus enrollment in such school year of preschool-aged at-risk pupils, if
17 any such pupils were enrolled; or

18 (3) the number of pupils as determined under K.S.A. 72-6447 or
19 section 2 of 2005 House Bill No. 2059, and amendments thereto.

20 (f) "Adjusted enrollment" means enrollment adjusted by adding at-
21 risk pupil weighting, program weighting, low enrollment weighting, if any,
22 *correlation enrollment, if any*, extraordinary declining enrollment weight-
23 ing, if any, school facilities weighting, if any, ancillary school facilities
24 weighting, if any, cost of living weighting, if any, special education and
25 related services weighting, and transportation weighting to enrollment.

26 (g) "At-risk pupil weighting" means an addend component assigned
27 to enrollment of districts on the basis of enrollment of at-risk pupils.

28 (h) "Program weighting" means an addend component assigned to
29 enrollment of districts on the basis of pupil attendance in educational
30 programs which differ in cost from regular educational programs.

31 (i) "Low enrollment weighting" means an addend component as-
32 signed to enrollment of districts having under ~~1,725~~ 1,665 enrollment on
33 the basis of costs attributable to maintenance of educational programs by
34 such districts in comparison with costs attributable to maintenance of
35 educational programs by districts having ~~1,725~~ 1,665 or over enrollment.

36 (j) "School facilities weighting" means an addend component as-
37 signed to enrollment of districts on the basis of costs attributable to com-
38 mencing operation of new school facilities.

39 (k) "Transportation weighting" means an addend component as-
40 signed to enrollment of districts on the basis of costs attributable to the
41 provision or furnishing of transportation.

42 (l) "Cost of living weighting" means an addend component assigned
43 to enrollment of districts to which the provisions of section 12 of 2005

1 *Senate Bill No. 43*, and amendments thereto, apply on the basis of costs
2 attributable to the extraordinary cost of living in the district.

3 (m) “Ancillary school facilities weighting” means an addend compo-
4 nent assigned to enrollment of districts to which the provisions of K.S.A.
5 72-6441, and amendments thereto, apply on the basis of costs attributable
6 to commencing operation of new school facilities. Ancillary school facil-
7 ities weighting may be assigned to enrollment of a district only if the
8 district has levied a tax under authority of K.S.A. 72-6441, and amend-
9 ments thereto, and remitted the proceeds from such tax to the state trea-
10 surer. Ancillary school facilities weighting is in addition to assignment of
11 school facilities weighting to enrollment of any district eligible for such
12 weighting.

13 (n) “Juvenile detention facility” means: (1) Any secure public or pri-
14 vate facility which is used for the lawful custody of accused or adjudicated
15 juvenile offenders and which shall not be a jail;

16 (2) any level VI treatment facility licensed by the Kansas department
17 of health and environment which is a psychiatric residential treatment
18 facility for individuals under the age of 21 which conforms with the reg-
19 ulations of the centers for medicare/medicaid services and the joint com-
20 mission on accreditation of health care organizations governing such fa-
21 cilities; and

22 (3) the Forbes Juvenile Attention Facility, the Sappa Valley Youth
23 Ranch of Oberlin, Salvation Army/Koch Center Youth Services, the Clar-
24 ence M. Kelley Youth Center, the Clarence M. Kelley Transitional Living
25 Center, Trego County Secure Care Center, St. Francis Academy at At-
26 chison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina,
27 St. Francis Center at Salina, King’s Achievement Center, and Liberty
28 Juvenile Services and Treatment.

29 (o) “Special education and related services weighting” means an ad-
30 dend component assigned to enrollment of districts on the basis of costs
31 attributable to provision of special education and related services for pu-
32 pils determined to be exceptional children.

33 (p) “Virtual school” means any kindergarten or grades one through
34 12 course offered for credit that uses distance-learning technologies
35 which predominantly use internet-based methods to deliver instruction
36 and for which the course content is available on an “anytime, anyplace”
37 basis, but the instruction occurs asynchronously with the teacher and
38 pupil in separate locations, not necessarily located within a local education
39 agency.

40 (q) “Extraordinary declining enrollment weighting” means an addend
41 component assigned to enrollment of districts to which the provisions of
42 section 13 of 2005 *Senate Bill No. 43*, and amendments thereto, apply on
43 the basis of reduced revenues attributable to the declining enrollment of

1 the district.

2 (r) *“Correlation weighting” means an addend component assigned to*
3 *enrollment of districts having 1,665 or over enrollment on the basis of*
4 *costs attributable to maintenance of educational programs by such dis-*
5 *tricts as a correlate to low enrollment weighting assigned to enrollment*
6 *of districts having under 1,665 enrollment.*

7 Sec. 9. K.S.A. 72-6410, as amended by section 14 of 2005 House Bill
8 No. 2247, is hereby amended to read as follows: 72-6410. (a) “State fi-
9 nancial aid” means an amount equal to the product obtained by multi-
10 plying base state aid per pupil by the adjusted enrollment of a district.

11 (b) “Base state aid per pupil” means an amount of state financial aid
12 per pupil. Subject to the other provisions of this subsection, the amount
13 of base state aid per pupil is ~~\$4,222~~ \$4,277. The amount of base state aid
14 per pupil is subject to reduction commensurate with any reduction under
15 K.S.A. 75-6704, and amendments thereto, in the amount of the approp-
16 riation from the state general fund for general state aid. If the amount
17 of appropriations for general state aid is insufficient to pay in full the
18 amount each district is entitled to receive for any school year, the amount
19 of base state aid per pupil for such school year is subject to reduction
20 commensurate with the amount of the insufficiency.

21 (c) “Local effort” means the sum of an amount equal to the proceeds
22 from the tax levied under authority of K.S.A. 72-6431, and amendments
23 thereto, and an amount equal to any unexpended and unencumbered
24 balance remaining in the general fund of the district, except amounts
25 received by the district and authorized to be expended for the purposes
26 specified in K.S.A. 72-6430, and amendments thereto, and an amount
27 equal to any unexpended and unencumbered balances remaining in the
28 program weighted funds of the district, except any amount in the voca-
29 tional education fund of the district if the district is operating an area
30 vocational school, and an amount equal to any remaining proceeds from
31 taxes levied under authority of K.S.A. 72-7056 and 72-7072, and amend-
32 ments thereto, prior to the repeal of such statutory sections, and an
33 amount equal to the amount deposited in the general fund in the current
34 school year from amounts received in such year by the district under the
35 provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto,
36 and an amount equal to the amount deposited in the general fund in the
37 current school year from amounts received in such year by the district
38 pursuant to contracts made and entered into under authority of K.S.A.
39 72-6757, and amendments thereto, and an amount equal to the amount
40 credited to the general fund in the current school year from amounts
41 distributed in such year to the district under the provisions of articles 17
42 and 34 of chapter 12 of Kansas Statutes Annotated and under the pro-
43 visions of articles 42 and 51 of chapter 79 of Kansas Statutes Annotated,

1 and an amount equal to the amount of payments received by the district
2 under the provisions of K.S.A. 72-979, and amendments thereto, and an
3 amount equal to the amount of a grant, if any, received by the district
4 under the provisions of K.S.A. 72-983, and amendments thereto, and an
5 amount equal to 70% of the federal impact aid of the district.

6 (d) "Federal impact aid" means an amount equal to the federally
7 qualified percentage of the amount of moneys a district receives in the
8 current school year under the provisions of title I of public law 874 and
9 congressional appropriations therefor, excluding amounts received for as-
10 sistance in cases of major disaster and amounts received under the low-
11 rent housing program. The amount of federal impact aid defined herein
12 as an amount equal to the federally qualified percentage of the amount
13 of moneys provided for the district under title I of public law 874 shall
14 be determined by the state board in accordance with terms and conditions
15 imposed under the provisions of the public law and rules and regulations
16 thereunder.

17 Sec. 10. K.S.A. 72-6412, as amended by section 15 of 2005 House
18 Bill No. 2247, is hereby amended to read as follows: 72-6412. (a) A low
19 enrollment weighting factor shall be assigned to each school district as
20 provided by this section.

21 (b) For districts with enrollment of ~~1,725~~ 1,665 or more, the low
22 enrollment weighting factor shall be 0.

23 (c) For districts with enrollment of less than 100, the low enrollment
24 weighting factor shall be equal to the low enrollment weighting factor of
25 a district with enrollment of 100.

26 (d) For districts with enrollment of less than ~~1,725~~ 1,665 and more
27 than 99, the low enrollment weighting factor shall be determined by the
28 state board as follows:

29 (1) Determine the low enrollment weighting factor for such districts
30 for school year 2004-2005;

31 (2) multiply the low enrollment weighting factor of each district de-
32 termined under paragraph (1) by 3,863;

33 (3) add 3,863 to the product obtained under paragraph (2);

34 (4) divide the product obtained under paragraph (3) by 4,107; and

35 (5) subtract 1 from the product obtained under paragraph (4). The
36 difference shall be the low enrollment weighting factor for school year
37 2005-2006 and each school year thereafter.

38 Sec. 11. K.S.A. 72-6413, as amended by section 16 of 2005 House
39 Bill No. 2247, is hereby amended to read as follows: 72-6413. The pro-
40 gram weighting of each district shall be determined by the state board as
41 follows:

42 (a) Compute full time equivalent enrollment in programs of bilingual
43 education and multiply the computed enrollment by ~~.395~~ .45;

1 (b) compute full time equivalent enrollment in approved vocational
2 education programs and multiply the computed enrollment by 0.5;

3 (c) add the products obtained under (a) and (b). The sum is the pro-
4 gram weighting of the district.

5 Sec. 12. K.S.A. 72-6414, as amended by section 17 of 2005 House
6 Bill No. 2247, is hereby amended to read as follows: 72-6414. (a) The at-
7 risk pupil weighting of each district shall be determined by the state board
8 by multiplying the number of at-risk pupils included in enrollment of the
9 district by ~~.15~~ *.20 for the 2005-2006 school year and .25 for the 2006-*
10 *2007 school year and each school year thereafter.* The product is the at-
11 risk pupil weighting of the district.

12 (b) Except as provided in subsection (d), of the amount a district
13 receives from the at-risk pupil weighting, an amount produced by a pupil
14 weighting of .01 shall be used by the district for achieving mastery of
15 basic reading skills by completion of the third grade in accordance with
16 standards and outcomes of mastery identified by the state board under
17 K.S.A. 72-7534, and amendments thereto.

18 (c) A district shall include such information in its at-risk pupil assis-
19 tance plan as the state board may require regarding the district's reme-
20 diation strategies and the results thereof in achieving the third grade
21 reading standards and outcomes of mastery identified by the state board.
22 The reporting requirements shall include information documenting re-
23 mediation strategies and improvement made by pupils who performed
24 below the expected standard on the second grade diagnostic reading test
25 prescribed by the state board.

26 (d) A district whose pupils substantially achieve the state board stan-
27 dards and outcomes of mastery of reading skills upon completion of third
28 grade may be released, upon request, by the state board from the require-
29 ments of subsection (b).

30 Sec. 13. K.S.A. 72-6426 is hereby amended to read as follows: 72-
31 6426. (a) There is hereby established in every district a fund which shall
32 be called the contingency reserve fund. Such fund shall consist of all
33 moneys deposited therein or transferred thereto according to law. The
34 fund shall be maintained for payment of expenses of a district attributable
35 to financial contingencies as determined by the board. Except as other-
36 wise provided in subsection (b), at no time in any school year shall the
37 amount maintained in the fund exceed an amount equal to 4% of the
38 general fund budget of the district for the school year.

39 (b) (1) In any school year, if the amount in the contingency reserve
40 fund of a district is in excess of the amount authorized under subsection
41 (a) to be maintained in the fund, and if such excess amount is the result
42 of a reduction in the general fund budget of the district for the school
43 year because of a decrease in enrollment, the district may maintain the

1 excess amount in the fund until depletion of such excess amount by ex-
2 penditure from the fund for the purposes thereof.

3 (2) *Except as provided in subsection (b), at no time in school year*
4 *2005-2006, shall the amount maintained in the fund exceed an amount*
5 *equal to 6% of the general fund budget of the district for such school year.*

6 Sec. 14. K.S.A. 2004 Supp. 72-6434, as amended by section 24 of
7 2005 House Bill No. 2247, is hereby amended to read as follows: 72-6434.

8 ~~(a) Subject to the limitations of subsection (b)~~ In each school year, each
9 district that has adopted a local option budget is eligible for entitlement
10 to an amount of supplemental general state aid. Entitlement of a district
11 to supplemental general state aid shall be determined by the state board
12 as provided in this subsection *and in accordance with appropriations for*
13 *supplemental general state aid*. The state board shall:

14 (1) Determine the amount of the assessed valuation per pupil in the
15 preceding school year of each district in the state;

16 (2) rank the districts from low to high on the basis of the amounts of
17 assessed valuation per pupil determined under (1);

18 ~~(3) identify the amount of the assessed valuation per pupil located at~~
19 ~~the 75th percentile of the amounts ranked under (2);~~

20 (3) *identify the amount of the assessed valuation per pupil located at*
21 *the 81st percentile of the amounts ranked under (2);*

22 (4) divide the assessed valuation per pupil of the district in the pre-
23 ceding school year by the amount identified under (3);

24 (5) subtract the ratio obtained under (4) from 1.0. If the resulting
25 ratio equals or exceeds 1.0, the eligibility of the district for entitlement
26 to supplemental general state aid shall lapse. If the resulting ratio is less
27 than 1.0, the district is entitled to receive supplemental general state aid
28 in an amount which shall be determined by the state board by multiplying
29 the amount of the local option budget of the district by such ratio. The
30 product is the amount of supplemental general state aid the district is
31 entitled to receive for the school year.

32 ~~(b) For school year 2005-2006, districts shall not be paid supplement-~~
33 ~~tal general state aid for that portion of the local option budget in excess~~
34 ~~of the state prescribed percentage in effect prior to the effective date of~~
35 ~~this act.~~

36 ~~(c)~~ If the amount of appropriations for supplemental general state aid
37 is less than the amount each district is entitled to receive for the school
38 year, the state board shall prorate the amount appropriated among the
39 districts in proportion to the amount each district is entitled to receive.

40 ~~(c)~~ (c) The state board of education shall prescribe the dates upon
41 which the distribution of payments of supplemental general state aid to
42 school districts shall be due. Payments of supplemental general state aid
43 shall be distributed to districts on the dates prescribed by the state board.

1 The state board shall certify to the director of accounts and reports the
2 amount due each district, and the director of accounts and reports shall
3 draw a warrant on the state treasurer payable to the treasurer of the
4 district. Upon receipt of the warrant, the treasurer of the district shall
5 credit the amount thereof to the supplemental general fund of the district
6 to be used for the purposes of such fund.

7 ~~(e)~~ (d) If any amount of supplemental general state aid that is due to
8 be paid during the month of June of a school year pursuant to the other
9 provisions of this section is not paid on or before June 30 of such school
10 year, then such payment shall be paid on or after the ensuing July 1, as
11 soon as moneys are available therefor. Any payment of supplemental gen-
12 eral state aid that is due to be paid during the month of June of a school
13 year and that is paid to school districts on or after the ensuing July 1 shall
14 be recorded and accounted for by school districts as a receipt for the
15 school year ending on the preceding June 30.

16 Sec. 15. K.S.A. 72-6405, as amended by section 19 of 2005 Senate
17 Bill No. 43, 72-6410, as amended by section 14 of 2005 House Bill No.
18 2247, 72-6412, as amended by section 15 of 2005 House Bill No. 2247,
19 72-6413, as amended by section 16 of 2005 House Bill No. 2247, 72-
20 6414, as amended by section 17 of 2005 House Bill No. 2247, 72-6426
21 and section 3 of 2005 House Bill No. 2247 and K.S.A. 2004 Supp. 72-
22 978, as amended by section 10 of 2005 House Bill No. 2247, 72-6407, as
23 amended by section 16 of 2005 Senate Bill No. 43, and 72-6434, as
24 amended by section 24 of 2005 House Bill No. 2247, are hereby repealed.

25 Sec. 16. This act shall take effect and be in force from and after its
26 publication in the Kansas register.