

[As Amended by House Committee of the Whole]

Session of 2006

Substitute for HOUSE BILL No. 2986

By Select Committee on School Finance

3-20

10 AN ACT concerning school districts and the powers and duties thereof;
11 relating to the state board of education and the powers and duties
12 thereof; relating to school finance; **[providing for an early high**
13 **school graduation incentive program;]** amending K.S.A. 2005
14 Supp. **[46-1131,]** 72-6405, 72-6407, 72-6409, 72-6410, 72-6412, ~~72-~~
15 ~~6413,~~ 72-6414, 72-6414a, 72-6414b, 72-6421, 72-6426, **[72-6433,]** 72-
16 6434, 72-6442b, ~~72-6449~~ **[72-64c01, 72-64c04,]** 72-8204c, 72-8814,
17 72-9509, 79-2926 and 79-2927a and repealing the existing sections;
18 also repealing K.S.A. 2005 Supp. **[72-6449, 72-64b01, 72-64b02, 72-**
19 **64b03, 72-64b04, 72-64c02 and]** 75-2320.
20

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

22 New Section 1. (a) For the purposes of determining the total amount
23 of state moneys paid to school districts, all moneys appropriated by the
24 state for the following services, programs or purposes shall be deemed to
25 be state moneys for educational and support services for school districts:

- 26 (1) Educable deaf-blind and severely handicapped children's pro-
27 grams aid;
28 (2) parent education;
29 (3) KPERS - employer contributions;
30 (4) school district juvenile detention facilities and Flint Hills job corp
31 center grants;
32 (5) school food assistance;
33 (6) governor's teaching excellence scholarships and awards;
34 (7) discretionary grants;
35 (8) mentor teacher program grants;
36 (9) professional development aid;
37 (10) teacher service scholarships;
38 (11) special education teacher service scholarships;
39 (12) ESOL grants awarded pursuant to section 4, and amendments
40 thereto;
41 (13) vocational education grants awarded pursuant to section 5, and
42 amendments thereto; and
43 (14) any other moneys appropriated by the state for distribution to

1 school districts.

2 (b) The provisions of this section shall not apply to federal moneys
3 appropriated by the state.

4 New Sec. 2. Whenever the state board of education determines that
5 a school has failed either to meet the accreditation requirements estab-
6 lished by rules and regulations or standards adopted by the state board
7 or provide the curriculum required by state law, the state board shall so
8 notify the school district in which the school is located. Such notice shall
9 specify the accreditation requirements that the school has failed to meet
10 and the curriculum that the school has failed to provide. Upon receipt of
11 such notice, the board of education of such district shall reallocate the
12 resources of the district to remedy all deficiencies identified by the state
13 board. The reallocation of resources shall be made on the basis of bench-
14 marks of highly resource-efficient districts as identified in Phase III of
15 the Kansas Education Resource Management Study conducted by Stan-
16 dard and Poors (March 2006).

17 New Sec. 3. ~~(a) The density at-risk pupil weighting of each school~~
18 ~~district shall be determined by the state board by multiplying the number~~
19 ~~of at-risk pupils included in enrollment of the district by .048. The prod-~~
20 ~~uct is the density at-risk pupil weighting of the district.~~

21 ~~—(b) As used in this section, “school district” means any school district~~
22 ~~which had an enrollment in the preceding school year of (1) at least 50%~~
23 ~~at-risk pupils or (2) at least 35.1% at-risk pupils with an enrollment density~~
24 ~~of at least 212.1 pupils per square mile.~~

25 **[(a) The density at-risk pupil weighting of each school district**
26 **shall be determined by the state board as follows:**

27 **[(1) Determine the enrollment of the district;**

28 **[(2) divide the number determined under paragraph (1) by the**
29 **number of at-risk pupils enrolled in the district;**

30 **[(3) except as provided by paragraph (6), if the dividend deter-**
31 **mined under paragraph (2) is less than 40, multiply the dividend**
32 **by 0. The product is the density at-risk pupil weighting of the**
33 **district;**

34 **[(4) except as provided by paragraph (6), if the dividend deter-**
35 **mined under paragraph (2) is more than 40 but less than 50, mul-**
36 **tiply the dividend by .04 in school year 2006-2007, by .05 in school**
37 **year 2007-2008 and by .06 in school year 2008-2009 and each**
38 **school year thereafter. The product is the density at-risk pupil**
39 **weighting of the district; and**

40 **[(5) if the dividend determined under paragraph (2) is 50 or**
41 **more, multiply the dividend by .08 in school year 2006-2007, by**
42 **.09 in school year 2007-2008 and by .10 in school year 2008-2009**
43 **and each school year thereafter. The product is the density at-risk**

1 **pupil weighting of the district; and**

2 **[(6) if the dividend determined under paragraph (2) is 35.1 or**
3 **more and the district has an enrollment density of at least 212.1**
4 **pupils per square mile, multiply the dividend by .08 in school year**
5 **2006-2007, by .09 in school year 2007-2008 and by .10 in school**
6 **year 2008-2009 and each school year thereafter. The product is**
7 **the density at-risk pupil weighting of the district.]**

8 ~~(e)~~ **(b)** Any amount of moneys received by a district from the density
9 at-risk weighting shall be expended first on at-risk programs for the grade-
10 levels of the district which had the lowest proficiency scores on the math-
11 ematics and reading state assessments in the preceding school year.

12 New Sec. 4. (a) The board of education of any school district may
13 reimburse any teacher employed by the school district for the direct costs
14 incurred by such teacher in attaining full endorsement as an ESOL
15 teacher.

16 (b) Subject to the limitations of appropriations therefor, each school
17 year any school district which has reimbursed teachers as authorized by
18 subsection (a) is eligible to receive a grant of state moneys in an amount
19 to be determined by the state board.

20 (c) In order to be eligible for a grant under this section, the board of
21 education of the school district shall submit to the state board an appli-
22 cation for a grant and shall certify the amount expended on such reim-
23 bursements. The application and certification shall be prepared in such
24 form and manner as required by the state board and shall be submitted
25 at a time to be determined and specified by the state board.

26 (d) Each school district which is awarded a grant under this section
27 shall make such periodic and special reports to the state board as it may
28 request.

29 (e) All moneys received by a school district under authority of this
30 section shall be deposited in the general fund of the school district and
31 shall be considered reimbursement of the district for the purpose of the
32 school district finance and quality performance act. To the extent that
33 grant moneys have been awarded to the district, the board of education
34 of any district which has been awarded a grant pursuant to this section
35 shall reimburse teachers employed by the school district for the direct
36 costs incurred by such teacher in attaining full endorsement as an ESOL
37 teacher.

38 (f) The state board shall establish standards and criteria for review-
39 ing, evaluating and approving applications for grants submitted pursuant
40 to this section. All grants shall be awarded by the state board in accord-
41 ance with the standards and criteria established by the state board. The
42 state board shall approve applications of school districts for grants, de-
43 termine the amount of grants and be responsible for payment of grants

- 1 to school districts. When awarding grants pursuant to this section, the
2 state board shall give priority to those districts with the greatest need for
3 teachers with an ESOL endorsement. If the amount of appropriations for
4 the payment of grants under this section is insufficient to pay in full the
5 amount each school district is determined to be eligible to receive for the
6 school year, the state board shall prorate the amount appropriated among
7 all school districts which are eligible to receive grants of state moneys in
8 proportion to the amount each school district is determined to be eligible
9 to receive.
- 10 (g) Nothing in this section shall be construed as prohibiting districts
11 from reimbursing teachers for such direct costs from other moneys of the
12 district.
- 13 (h) As used in this section:
- 14 (1) “ESOL” means English for speakers of other languages.
15 (2) “Direct costs” means the costs of books, fees, tuition or other
16 charges for courses necessary to attain full endorsement as an ESOL
17 teacher.
- 18 New Sec. 5. (a) Subject to the limitations of appropriations therefor,
19 any school district which desires to establish a vocational education pro-
20 gram may submit an application for a grant of moneys in an amount to
21 be determined by the state board for the purpose of paying the costs of
22 establishing a vocational education program, any operating expenses re-
23 lated thereto and the cost of acquiring equipment therefor.
- 24 (b) In order to be eligible for a grant under this section, the board of
25 education of the school district shall submit to the state board an appli-
26 cation for a grant. The application shall be prepared in such form and
27 manner as required by the state board and shall be submitted at a time
28 to be determined and specified by the state board.
- 29 (c) The state board shall establish standards and criteria for review-
30 ing, evaluating and approving applications for grants submitted pursuant
31 to this section. All grants shall be awarded by the state board in accord-
32 ance with the standards and criteria established by the state board. The
33 state board shall determine the amount of grants and be responsible for
34 payment of grants to school districts. If the amount of appropriations for
35 the payment of grants under this section is insufficient to pay in full the
36 amount each school district is determined to be eligible to receive for the
37 school year, the state board shall prorate the amount appropriated among
38 all school districts which are eligible to receive grants of state moneys in
39 proportion to the amount each school district is determined to be eligible
40 to receive.
- 41 (d) Each school district which is awarded a grant under this section
42 shall make such periodic and special reports of statistical and financial
43 information to the state board as it may request.

1 New Sec. 6. In order to achieve uniform reporting of expenditures
2 by school districts in school district budgets, districts shall report expend-
3 itures in the manner required by the state board.

4 ~~New Sec. 7. In order to provide for the regional cost differences~~
5 ~~among the school districts in the state, the state board shall make rec-~~
6 ~~ommendations to the governor for adjustments in the amount of state aid~~
7 ~~paid to districts. In determining any such adjustment, the board shall use~~
8 ~~data from the national center for educational statistics, the cost study~~
9 ~~analysis of elementary and secondary education in Kansas: Estimating the~~
10 ~~costs of K-12 Education (January 2006) reported by the legislative division~~
11 ~~of post audit, other studies conducted by the legislative division of post~~
12 ~~audit, studies conducted by the board or other sources the board deems~~
13 ~~appropriate. The state board shall file such recommendations, if any, as~~
14 ~~part of the budget estimate required by K.S.A. 75-3717, and amendments~~
15 ~~thereto.~~

16 New Sec. ~~§~~ **7. (a).** It is the public policy of the state of Kansas that
17 neither the legislature nor school districts shall be required to pay any
18 costs attributable to meeting requirements of federal law or rules and
19 regulations or standards adopted by the state board in conformance with
20 such federal law unless funding to comply with such federal law, rules
21 and regulations or standards is provided by the federal government in an
22 amount deemed adequate by the legislature.

23 **[(b) The provisions of this section shall not apply to the indi-**
24 **viduals with disabilities education act (IDEA) or any rules and reg-**
25 **ulations adopted pursuant thereto.]**

26 ~~New Sec. 9. In any civil action in law or equity in which a legislative~~
27 ~~enactment of this state is alleged to violate the provisions of article 6 of~~
28 ~~the Kansas constitution, the supreme court shall have appellate jurisdic-~~
29 ~~tion only.~~

30 ~~—New Sec. 10. In any civil action in law or equity in which a legislative~~
31 ~~enactment is alleged to violate the provisions of article 6 of the Kansas~~
32 ~~constitution, the district court shall be the exclusive court of original~~
33 ~~jurisdiction.~~

34 ~~—New Sec. 11. The nonproficient weighting of each district shall be~~
35 ~~determined by the state board as follows:~~

36 ~~—(a) (1) For school year 2006-2007, determine the number of pupils~~
37 ~~who were not eligible for free meals under the national school lunch act~~
38 ~~and who took the mathematics or reading state assessments in school year~~
39 ~~2004-2005 and (2) for school year 2007-2008 and each school year there-~~
40 ~~after, determine the number of pupils who were not eligible for free~~
41 ~~meals under the national school lunch act and who took the mathematics~~
42 ~~or reading state assessments in the preceding school year;~~

43 ~~—(b) (1) for school year 2006-2007, determine the number of all pupils~~

1 who scored below proficiency on either the mathematics or reading state
2 assessments in school year 2004-2005 and (2) for school year 2007-2008
3 and each school year thereafter, determine the number of pupils who
4 scored below proficiency on either the mathematics or reading state as-
5 sessments in the preceding school year;
6 —(c)— divide the number determined under paragraph (b) by the num-
7 ber determined under paragraph (a);
8 —(d)— subtract the number of pupils who are eligible for free meals
9 under the national school lunch act from the enrollment of the district;
10 —(e)— multiply the difference determined under paragraph (d) by the
11 dividend determined under paragraph (c), and
12 —(f)— multiply the product determined under paragraph (e) by .029. The
13 product is the nonproficient pupil weighting of the district.
14 —New Sec. 12.— (a) There is hereby established in every district a fund
15 which shall be called the nonproficient pupil education fund, which fund
16 shall consist of all moneys deposited therein or transferred thereto ac-
17 cording to law. The expenses of a district directly attributable to providing
18 assistance or programs to nonproficient pupils shall be paid from the
19 nonproficient pupil education fund.
20 —(b)— Any balance remaining in the nonproficient pupil education fund
21 at the end of the budget year shall be carried forward into the nonprof-
22 icient pupil education fund for succeeding budget years. Such fund shall
23 not be subject to the provisions of K.S.A. 79-2025 through 79-2037, and
24 amendments thereto. In preparing the budget of such school district, the
25 amounts credited to and the amount on hand in the nonproficient pupil
26 education fund, and the amount expended therefrom shall be included
27 in the annual budget for the information of the residents of the school
28 district. Interest earned on the investment of moneys in any such fund
29 shall be credited to such fund.
30 —New Sec. 13.— As used in sections 14 through 18, and amendments
31 thereto:
32 —(a)— “Academy” means an academy established pursuant to section 17,
33 and amendments thereto.
34 —(b)— “At-risk” pupil means a pupil having one or more of the charac-
35 teristics established by the state board which places such pupil at risk of
36 failure in school.
37 —(c)— “Program” means the at-risk pupil academy program established
38 by section 14, and amendments thereto.
39 —(d)— “School district” means U.S.D. No. 259, U.S.D. No. 457, U.S.D.
40 No. 500 and U.S.D. No. 501.
41 —(e)— “State educational institution” means a state educational institu-
42 tion as defined by K.S.A. 76-711, and amendments thereto, which has
43 been designated by the state board to administer the provisions of this

1 ~~act and to provide oversight of academies.~~
2 ~~— New Sec. 14. (a) Subject to the limitations of appropriations there-~~
3 ~~for, there is hereby established the at-risk pupil academy program. Such~~
4 ~~program shall be administered by the state educational institution des-~~
5 ~~ignated by the state board pursuant to section 15, and amendments~~
6 ~~thereto.~~
7 ~~— (b) The program shall expire on June 30, 2009.~~
8 ~~— New Sec. 15. (a) The state board shall designate a state educational~~
9 ~~institution to administer the program and to provide oversight of acade-~~
10 ~~mies established pursuant to section 17, and amendments thereto.~~
11 ~~— (b) The state educational institution shall establish the curriculum for~~
12 ~~academies. The curriculum shall be age appropriate and culturally rele-~~
13 ~~vant to the student population of the academies. The curriculum shall~~
14 ~~provide a student-friendly educational environment that is personalized,~~
15 ~~character-based and computer-integrated. Teachers and administrators~~
16 ~~of the academies shall meet the same qualifications of teachers and ad-~~
17 ~~ministrators of public schools in the district and shall be selected on the~~
18 ~~basis of their professionalism and dedication to the success of each stu-~~
19 ~~dent attending the academy.~~
20 ~~— (c) The state educational institution and school district in which such~~
21 ~~academy is located may enter into agreements under which the district~~
22 ~~provides facilities and services to such academy. The state educational~~
23 ~~institution also may enter into agreements with other public or private~~
24 ~~entities for the provision of such facilities or services.~~
25 ~~— (d) Academies shall meet or exceed the accreditation standards~~
26 ~~adopted by the state board. Students attending an academy shall be re-~~
27 ~~quired to take the state assessments in the same manner as students~~
28 ~~attending public schools in the district.~~
29 ~~— New Sec. 16. The state board shall adopt rules and regulations~~
30 ~~deemed necessary for the implementation of the program. The state~~
31 ~~board may adopt any rules and regulations recommended by the state~~
32 ~~educational institution.~~
33 ~~— New Sec. 17. (a) On or before July 1, 2007, there shall be established~~
34 ~~in each school district a middle school at-risk academy and a high school~~
35 ~~at-risk academy. Attendance at each academy shall be limited to no more~~
36 ~~than 100 students. The parent or guardian of any student who is an at-~~
37 ~~risk pupil and who desires to attend an academy shall submit an appli-~~
38 ~~cation in the manner and form required by the state educational insti-~~
39 ~~tution. The application shall be accompanied by any information required~~
40 ~~by the state educational institution.~~
41 ~~— (b) In order to provide a fair method of selecting students, the state~~
42 ~~educational institution shall establish a lottery system for the selection of~~
43 ~~students when the number of applications exceeds the number of open-~~

1 ~~ings at an academy. The state educational institution shall establish the~~
2 ~~deadline for the submission of applications and a procedure for the no-~~
3 ~~tification of applicants of the acceptance or nonacceptance for attendance~~
4 ~~at an academy.~~

5 ~~—New Sec. 18.— On or before September 1, 2006, the state educational~~
6 ~~institution shall report its progress on the implementation of the program~~
7 ~~to the legislative educational planning committee. The state board shall~~
8 ~~submit other reports as requested by the chairperson of the legislative~~
9 ~~educational planning committee. On or before September 1 in 2007, 2008~~
10 ~~and 2009, the state educational institution shall make an annual report~~
11 ~~on the program to the legislative educational planning committee. On or~~
12 ~~before the first day of the legislative session in 2008 and 2009, the leg-~~
13 ~~islative educational planning committee shall prepare and submit to the~~
14 ~~legislature a report on the program and any recommendations relating~~
15 ~~thereto.~~

16 ~~—New Sec. 19.— On or before January 1, 2007, the state board shall~~
17 ~~design an administration reorganization plan for school districts. On or~~
18 ~~before the first day of the 2007 legislative session, the state board shall~~
19 ~~submit such plan to the legislature for consideration thereby.~~

20 New Sec. 20 [8]. (a) As used in this section:

21 (1) “School district” or “district” means a school district which has an
22 extraordinary declining enrollment.

23 (2) “Extraordinary declining enrollment” means an enrollment which
24 has declined during the preceding three school years at a rate of at least
25 5% per year or by at least 50 pupils per year.

26 (3) “Joint committee” means the joint committee on state building
27 construction.

28 (b) The board of education of any school district shall not authorize
29 the issuance of any bonds for the construction of a new building without
30 having first advised and consulted with the joint committee. Prior to the
31 date of the hearing of the joint committee at which the board is scheduled
32 to appear, the board shall submit any information requested by the joint
33 committee. Following such hearing, the committee shall make a recom-
34 mendation on the advisability of the proposed issuance of bonds. A copy
35 of the committee’s recommendation shall be provided to the school dis-
36 trict and to the state board of education within 15 days of the date of the
37 hearing.

38 (c) If the joint committee recommends against the issuance of any
39 bonds for the construction of a new building and if the district proceeds
40 to issue bonds for such construction, the district shall not be entitled to,
41 and shall not receive, state aid for such bonds under K.S.A. 75-2319, and
42 amendments thereto unless approved by the state board.

43 (d) The provisions of this section shall not apply to any district which

1 is not entitled to state aid under K.S.A. 75-2319, and amendments
2 thereto.

3 **[New Sec. 9. On or before the first day of each legislative ses-**
4 **sion, the state board of education shall submit to the legislature**
5 **an annual report which shows in detail the improvement in student**
6 **proficiency which is attributable to the increase in state aid ap-**
7 **propriated by the legislature during the preceding legislative**
8 **session.]**

9 **[New Sec. 10. (a) The state board of education shall establish**
10 **an early high school graduation incentive program in accordance**
11 **with this act and may adopt rules and regulations deemed neces-**
12 **sary for such program.**

13 **[(b) Pupils attending public schools in this state shall be eligible**
14 **for a \$1,000 incentive bonus for graduating from high school one**
15 **year earlier than the usual graduation time, as determined in ac-**
16 **cordance with rules and regulations of the state board of**
17 **education.**

18 **[(c) Pupils that receive an incentive bonus pursuant to subsec-**
19 **tion (b) also shall be eligible to receive a one-time, one-year tuition**
20 **scholarship, not to exceed \$3,000, for attending a Kansas technical**
21 **college or Kansas vocational education school, as defined by K.S.A.**
22 **74-3201b, and amendments thereto, in accordance with rules and**
23 **regulations of the state board of education.**

24 **[(d) The award of incentive bonuses and scholarships pursuant**
25 **to this act shall be subject to and dependent upon annual legisla-**
26 **tive appropriations therefor and shall be subject to legislative**
27 **change. If appropriations are insufficient to fully fund incentive**
28 **bonuses and scholarships pursuant to this act, the state board of**
29 **education may prorate the amounts thereof.]**

30 ~~Sec. 21 [11].~~ K.S.A. 2005 Supp. 72-6405 is hereby amended to read
31 as follows: 72-6405. (a) K.S.A. 72-6405 through 72-6440 ~~and~~, the provi-
32 sions of chapter 152 ~~and~~, sections 1 through 18 of chapter 194 of the
33 2005 session laws of Kansas *and sections 1 through 20* [9], and amend-
34 ments thereto, shall be known and may be cited as the school district
35 finance and quality performance act.

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

41 ~~(b) The provisions of this act shall not be severable. If any provision~~
42 ~~of this act is held to be invalid or unconstitutional, the entire act shall be~~
43 ~~null and void.~~

1 **[(b) The provisions of the school district finance and quality**
2 **performance act are severable. If any provision of that act is held**
3 **to be invalid or unconstitutional, it shall be presumed conclusively**
4 **that the legislature would have enacted the remainder of such act**
5 **without such invalid or unconstitutional provision.]**

6 (c) *It is the intent of this act to give school districts the greatest flex-*
7 *ibility possible in the expenditure of moneys received by districts to carry*
8 *out their duties under section 4 of article 6 of the constitution of the state*
9 *of Kansas to maintain, develop and operate local public schools and to*
10 *attain the public policy goal of the legislature to provide an opportunity*
11 *for all pupils of the state of Kansas to meet standards established by the*
12 *state board of education. It also is the intent of this act to require greater*
13 *accountability from school districts in the expenditure of such moneys.*

14 Sec. ~~22~~ **[12]**. K.S.A. 2005 Supp. 72-6407 is hereby amended to read
15 as follows: 72-6407. (a) (1) “Pupil” means any person who is regularly
16 enrolled in a district and attending kindergarten or any of the grades one
17 through 12 maintained by the district or who is regularly enrolled in a
18 district and attending kindergarten or any of the grades one through 12
19 in another district in accordance with an agreement entered into under
20 authority of K.S.A. 72-8233, and amendments thereto, or who is regularly
21 enrolled in a district and attending special education services provided
22 for preschool-aged exceptional children by the district.

23 (2) Except as otherwise provided in paragraph (3) of this subsection,
24 a pupil in attendance full time shall be counted as one pupil. A pupil in
25 attendance part time shall be counted as that proportion of one pupil (to
26 the nearest $\frac{1}{10}$) that the pupil’s attendance bears to full-time attendance.
27 A pupil attending kindergarten shall be counted as ~~$\frac{1}{2}$~~ **[.65]** pupil **[in**
28 **school year 2006-2007, as .80 pupil in school year 2007-2008 and**
29 **as one pupil in school year 2008-2009 and each school year there-**
30 **after]**. A pupil enrolled in and attending an institution of postsecondary
31 education which is authorized under the laws of this state to award aca-
32 demic degrees shall be counted as one pupil if the pupil’s postsecondary
33 education enrollment and attendance together with the pupil’s attend-
34 ance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time, otherwise the
35 pupil shall be counted as that proportion of one pupil (to the nearest $\frac{1}{10}$)
36 that the total time of the pupil’s postsecondary education attendance and
37 attendance in grade 11 or 12, as applicable, bears to full-time attendance.
38 A pupil enrolled in and attending an area vocational school, area voca-
39 tional-technical school or approved vocational education program shall be
40 counted as one pupil if the pupil’s vocational education enrollment and
41 attendance together with the pupil’s attendance in any of grades nine
42 through 12 is at least $\frac{5}{6}$ time, otherwise the pupil shall be counted as that
43 proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the

1 pupil's vocational education attendance and attendance in any of grades
2 nine through 12 bears to full-time attendance. A pupil enrolled in a dis-
3 trict and attending special education and related services, except special
4 education and related services for preschool-aged exceptional children,
5 provided for by the district shall be counted as one pupil. A pupil enrolled
6 in a district and attending special education and related services for pre-
7 school-aged exceptional children provided for by the district shall be
8 counted as $\frac{1}{2}$ pupil. A preschool-aged at-risk pupil enrolled in a district
9 and receiving services under an approved at-risk pupil assistance plan
10 maintained by the district shall be counted as $\frac{1}{2}$ pupil. A pupil in the
11 custody of the secretary of social and rehabilitation services and enrolled
12 in unified school district No. 259, Sedgwick county, Kansas, but housed,
13 maintained, and receiving educational services at the Judge James V. Rid-
14 del Boys Ranch, shall be counted as two pupils.

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

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

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

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

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

- 1 through 12 maintained by the district for at least one semester or two
2 quarters or the equivalent thereof;
- 3 (2) if enrollment in a district in any school year has decreased from
4 enrollment in the preceding school year, enrollment of the district in the
5 current school year means whichever is the greater of (A) enrollment in
6 the preceding school year minus enrollment in such school year of pre-
7 school-aged at-risk pupils, if any such pupils were enrolled, plus enroll-
8 ment in the current school year of preschool-aged at-risk pupils, if any
9 such pupils are enrolled, or (B) the sum of enrollment in the current
10 school year of preschool-aged at-risk pupils, if any such pupils are enrolled
11 and the average (mean) of the sum of (i) enrollment of the district in the
12 current school year minus enrollment in such school year of preschool-
13 aged at-risk pupils, if any such pupils are enrolled and (ii) enrollment in
14 the preceding school year minus enrollment in such school year of pre-
15 school-aged at-risk pupils, if any such pupils were enrolled and (iii) en-
16 rollment in the school year next preceding the preceding school year
17 minus enrollment in such school year of preschool-aged at-risk pupils, if
18 any such pupils were enrolled; or
- 19 (3) the number of pupils as determined under K.S.A. 72-6447 or
20 K.S.A. 2005 Supp. 72-6448, and amendments thereto.
- 21 (f) “Adjusted enrollment” means enrollment adjusted by adding at-
22 risk pupil weighting, program weighting, low enrollment weighting, if any,
23 ~~correlation density at-risk weighting, if any, high enrollment~~ weighting,
24 if any, declining enrollment weighting, if any, school facilities weighting,
25 if any, ancillary school facilities weighting, if any, cost of living weighting,
26 if any, special education and related services weighting, and transporta-
27 tion weighting to enrollment.
- 28 (g) “At-risk pupil weighting” means an addend component assigned
29 to enrollment of districts on the basis of enrollment of at-risk pupils.
- 30 (h) “Program weighting” means an addend component assigned to
31 enrollment of districts on the basis of pupil attendance in educational
32 programs which differ in cost from regular educational programs.
- 33 (i) “Low enrollment weighting” means an addend component as-
34 signed to enrollment of districts having under ~~1,662~~ 1,632 enrollment [**in**
35 **school year 2006-2007, under 1,602 enrollment in school year**
36 **2007-2008 and under 1,572 in school year 2008-2009 and each**
37 **school year thereafter]** on the basis of costs attributable to maintenance
38 of educational programs by such districts in comparison with costs attrib-
39 utable to maintenance of educational programs by districts having ~~1,662~~
40 1,632 or over enrollment [**in school year 2006-2007, 1,602 or over**
41 **enrollment in school year 2007-2008 and 1,572 or over enrollment**
42 **in school year 2008-2009 and each school year thereafter]**.
- 43 (j) “School facilities weighting” means an addend component as-

1 signed to enrollment of districts on the basis of costs attributable to com-
2 mencing operation of new school facilities.

3 (k) “Transportation weighting” means an addend component as-
4 signed to enrollment of districts on the basis of costs attributable to the
5 provision or furnishing of transportation.

6 ~~(l) “Cost of living weighting” means an addend component assigned~~
7 ~~to enrollment of districts to which the provisions of K.S.A. 2005 Supp.~~
8 ~~72-6449, and amendments thereto, apply on the basis of costs attributable~~
9 ~~to the cost of living in the district.~~

10 ~~(m)~~ [(l)] “Ancillary school facilities weighting” means an addend com-
11 ponent assigned to enrollment of districts to which the provisions of
12 K.S.A. 72-6441, and amendments thereto, apply on the basis of costs
13 attributable to commencing operation of new school facilities. Ancillary
14 school facilities weighting may be assigned to enrollment of a district only
15 if the district has levied a tax under authority of K.S.A. 72-6441, and
16 amendments thereto, and remitted the proceeds from such tax to the
17 state treasurer. Ancillary school facilities weighting is in addition to as-
18 signment of school facilities weighting to enrollment of any district eli-
19 gible for such weighting.

20 ~~(n)~~ [(m)] “Juvenile detention facility” means: (1) Any secure public
21 or private facility which is used for the lawful custody of accused or ad-
22 judged juvenile offenders and which shall not be a jail;

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

29 (3) the Forbes Juvenile Attention Facility, the Sappa Valley Youth
30 Ranch of Oberlin, Salvation Army/Koch Center Youth Services, the Clar-
31 ence M. Kelley Youth Center, the Clarence M. Kelley Transitional Living
32 Center, Trego County Secure Care Center, St. Francis Academy at At-
33 chison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina,
34 St. Francis Center at Salina, King’s Achievement Center, and Liberty
35 Juvenile Services and Treatment.

36 ~~(o)~~ [(n)] “Special education and related services weighting” means an
37 addend component assigned to enrollment of districts on the basis of costs
38 attributable to provision of special education and related services for pu-
39 pils determined to be exceptional children.

40 ~~(p)~~ [(o)] “Virtual school” means any kindergarten or grades one
41 through 12 course offered for credit that uses distance-learning technol-
42 ogies which predominantly use internet-based methods to deliver instruc-
43 tion and for which the course content is available on an “anytime, any-

1 place” basis, but the instruction occurs asynchronously with the teacher
2 and pupil in separate locations, not necessarily located within a local ed-
3 ucation agency.

4 ~~(q)~~ [(p)] “Declining enrollment weighting” means an addend com-
5 ponent assigned to enrollment of districts to which the provisions of
6 K.S.A. 2005 Supp. 72-6451, and amendments thereto, apply on the basis
7 of reduced revenues attributable to the declining enrollment of the
8 district.

9 ~~(r)~~ [(q)] ~~“Correlation weighting”~~ *High enrollment weighting*” means an
10 addend component assigned to enrollment of districts having ~~1,662~~ 1,632
11 or over enrollment **[in school year 2006-2007, 1,602 or over enroll-
12 ment in school year 2007-2008 and 1,572 or over enrollment in
13 school year 2008-2009 and each school year thereafter]** on the basis
14 of costs attributable to maintenance of educational programs by such
15 districts as a correlate to low enrollment weighting assigned to enrollment
16 of districts having under ~~1,662~~ 1,632 enrollment.

17 ~~(s)~~ [(r)] “*Density at-risk pupil weighting*” means an addend compo-
18 nent assigned to enrollment of districts to which the provisions of section
19 3, and amendments thereto, apply.

20 ~~(t)~~ “*Nonproficient pupil*” means a pupil who is not eligible for free
21 meals under the national school lunch act and who has scored less than
22 proficient on the mathematics or reading state assessment during the pre-
23 ceding school year and who is enrolled in a district which maintains an
24 approved proficiency assistance plan.

25 ~~(u)~~ “*Nonproficient pupil weighting*” means an addend component as-
26 signed to enrollment of districts on the basis of enrollment of nonproficient
27 pupils.

28 Sec. ~~23~~ [13]. K.S.A. 2005 Supp. 72-6409 is hereby amended to read
29 as follows: 72-6409. (a) “General fund” means the fund of a district from
30 which operating expenses are paid and in which is deposited the proceeds
31 from the tax levied under K.S.A. 72-6431, and amendments thereto, all
32 amounts of general state aid under this act, payments under K.S.A. 72-
33 7105a, and amendments thereto, payments of federal funds made avail-
34 able under the provisions of title I of public law 874, except amounts
35 received for assistance in cases of major disaster and amounts received
36 under the low-rent housing program, and such other moneys as are pro-
37 vided by law.

38 (b) “Operating expenses” means the total expenditures and lawful
39 transfers from the general fund of a district during a school year for all
40 purposes, except expenditures for the purposes specified in K.S.A. 72-
41 6430, and amendments thereto.

42 (c) “General fund budget” means the amount budgeted for operating
43 expenses in the general fund of a district.

1 (d) “Budget per pupil” means the general fund budget of a district
2 divided by the enrollment of the district.

3 (e) “Program weighted fund” means and includes the following funds
4 of a district: Vocational education fund, *preschool-aged at-risk fund*, ~~non-~~
5 ~~proficient pupil education fund~~ and bilingual education fund.

6 (f) “Categorical fund” means and includes the following funds of a
7 district: Special education fund, food service fund, driver training fund,
8 adult education fund, adult supplementary education fund, area voca-
9 tional school fund, professional development fund, parent education pro-
10 gram fund, summer program fund, extraordinary school program fund,
11 and educational excellence grant program fund.

12 Sec. ~~24~~ **[14]**. K.S.A. 2005 Supp. 72-6410 is hereby amended to read
13 as follows: 72-6410. (a) “State financial aid” means an amount equal to
14 the product obtained by multiplying base state aid per pupil by the ad-
15 justed enrollment of a district.

16 (b) “Base state aid per pupil” means an amount of state financial aid
17 per pupil. Subject to the other provisions of this subsection, the amount
18 of base state aid per pupil is ~~\$4,257~~ \$4,307 **[in school year 2006-2007,**
19 **\$4,356 in school year 2007-2008 and \$4,391 in school year 2008-**
20 **2009 and each school year thereafter]**. The amount of base state aid
21 per pupil is subject to reduction commensurate with any reduction under
22 K.S.A. 75-6704, and amendments thereto, in the amount of the appro-
23 priation from the state general fund for general state aid. If the amount
24 of appropriations for general state aid is insufficient to pay in full the
25 amount each district is entitled to receive for any school year, the amount
26 of base state aid per pupil for such school year is subject to reduction
27 commensurate with the amount of the insufficiency.

28 (c) “Local effort” means the sum of an amount equal to the proceeds
29 from the tax levied under authority of K.S.A. 72-6431, and amendments
30 thereto, and an amount equal to any unexpended and unencumbered
31 balance remaining in the general fund of the district, except amounts
32 received by the district and authorized to be expended for the purposes
33 specified in K.S.A. 72-6430, and amendments thereto, and an amount
34 equal to any unexpended and unencumbered balances remaining in the
35 program weighted funds of the district, except any amount in the voca-
36 tional education fund of the district if the district is operating an area
37 vocational school, and an amount equal to any remaining proceeds from
38 taxes levied under authority of K.S.A. 72-7056 and 72-7072, and amend-
39 ments thereto, prior to the repeal of such statutory sections, and an
40 amount equal to the amount deposited in the general fund in the current
41 school year from amounts received in such year by the district under the
42 provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto,
43 and an amount equal to the amount deposited in the general fund in the

1 current school year from amounts received in such year by the district
2 pursuant to contracts made and entered into under authority of K.S.A.
3 72-6757, and amendments thereto, and an amount equal to the amount
4 credited to the general fund in the current school year from amounts
5 distributed in such year to the district under the provisions of articles 17
6 and 34 of chapter 12 of Kansas Statutes Annotated and under the pro-
7 visions of articles 42 and 51 of chapter 79 of Kansas Statutes Annotated,
8 and an amount equal to the amount of payments received by the district
9 under the provisions of K.S.A. 72-979, and amendments thereto, and an
10 amount equal to the amount of a grant, if any, received by the district
11 under the provisions of K.S.A. 72-983, and amendments thereto, and an
12 amount equal to 70% of the federal impact aid of the district.

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

24 Sec. ~~25~~ [15]. K.S.A. 2005 Supp. 72-6412 is hereby amended to read
25 as follows: 72-6412. (a) A low enrollment weighting factor shall be as-
26 signed to each school district as provided by this section.

27 (b) For districts with enrollment of ~~1,662~~ 1,632 or more [**in school**
28 **year 2006-2007, 1,602 or more in school year 2007-2008 and 1,572**
29 **or more in school year 2008-2009 and each school year thereafter**],
30 the low enrollment weighting factor shall be 0.

31 (c) For districts with enrollment of less than 100, the low enrollment
32 weighting factor shall be equal to the low enrollment weighting factor of
33 a district with enrollment of 100.

34 (d) For districts with enrollment of less than ~~1,662~~ 1,632, [**in school**
35 **year 2006-2007, less than 1,602 in school year 2007-2008 and less**
36 **than 1,572 in school year 2008-2009 and each school year there-**
37 **after**] and more than 99, the low enrollment weighting factor shall be
38 determined by the state board as follows:

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

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

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

1 (4) divide the product obtained under paragraph (3) by 4,107; and
2 (5) subtract 1 from the product obtained under paragraph (4). The
3 difference shall be the low enrollment weighting factor ~~for school year~~
4 ~~2005-2006 and each school year thereafter.~~

5 ~~Sec. 26. K.S.A. 2005 Supp. 72-6413 is hereby amended to read as~~
6 ~~follows: 72-6413. The program weighting of each district shall be deter-~~
7 ~~mined by the state board as follows:~~

- 8 ~~—(a) Compute full time equivalent enrollment in programs of bilingual~~
9 ~~education and multiply the computed enrollment by .395;~~
10 ~~—(b) compute full time equivalent enrollment in approved vocational~~
11 ~~education programs and multiply the computed enrollment by 0.5 .62;~~
12 ~~—(c) add the products obtained under (a) and (b). The sum is the pro-~~
13 ~~gram weighting of the district.~~

14 ~~Sec. 27 [16]. K.S.A. 2005 Supp. 72-6414 is hereby amended to read~~
15 ~~as follows: 72-6414. (a) The at-risk pupil weighting of each district shall~~
16 ~~be determined by the state board by multiplying the number of at-risk~~
17 ~~pupils included in enrollment of the district by .193 .27 [**.268 in school**~~
18 ~~**year 2006-2007, .368 in school year 2007-2008 and .482 in school**~~
19 ~~**year 2008-2009 and each school year thereafter].** The product is the~~
20 ~~at-risk pupil weighting of the district.~~

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

27 (c) A district shall include such information in its at-risk pupil assis-
28 tance plan as the state board may require regarding the district's reme-
29 diation strategies and the results thereof in achieving the third grade
30 reading standards and outcomes of mastery identified by the state board.
31 The reporting requirements shall include information documenting reme-
32 diation strategies and improvement made by pupils who performed
33 below the expected standard on the second grade diagnostic reading test
34 prescribed by the state board.

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

39 ~~Sec. 28 [17]. K.S.A. 2005 Supp. 72-6414a is hereby amended to read~~
40 ~~as follows: 72-6414a. (a) There is hereby established in every district a~~
41 ~~fund which shall be called the at-risk education fund, which fund shall~~
42 ~~consist of all moneys deposited therein or transferred thereto according~~
43 ~~to law. Notwithstanding any other provision of law, all moneys received~~

1 ~~by the district from whatever source for at-risk assistance plans or pro-~~
2 ~~grams shall be credited to the at-risk education fund established by this~~
3 ~~section.~~ The expenses of a district directly attributable to providing at-
4 risk assistance or programs shall be paid from the at-risk education fund.

5 (b) Any balance remaining in the at-risk education fund at the end
6 of the budget year shall be carried forward into the at-risk education fund
7 for succeeding budget years. Such fund shall not be subject to the pro-
8 visions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In
9 preparing the budget of such school district, the amounts credited to and
10 the amount on hand in the at-risk education fund, and the amount ex-
11 pended therefrom shall be included in the annual budget for the infor-
12 mation of the residents of the school district. Interest earned on the in-
13 vestment of moneys in any such fund shall be credited to that fund.

14 ~~(c) Each year the board of education of each school district shall pre-~~
15 ~~pare and submit to the state board a report on the at-risk program or~~
16 ~~assistance provided by the district. Such report shall include information~~
17 ~~specifying the number of pupils who were served or provided assistance,~~
18 ~~the type of service provided, the research upon which the district relied~~
19 ~~in determining that a need for service or assistance existed, the results of~~
20 ~~providing such service or assistance and any other information required~~
21 ~~by the state board.~~

22 ~~—(d) In order to achieve uniform reporting of the number of at-risk~~
23 ~~pupils provided service or assistance by school districts in at-risk pro-~~
24 ~~grams, districts shall report the number of at-risk pupils served or assisted~~
25 ~~in the manner required by the state board.~~

26 Sec. ~~29~~ [18]. K.S.A. 2005 Supp. 72-6414b is hereby amended to read
27 as follows: 72-6414b. (a) There is hereby established in every district a
28 fund which shall be called the preschool-aged at-risk education fund,
29 which fund shall consist of all moneys deposited therein or transferred
30 thereto according to law. ~~Notwithstanding any other provision of law, all~~
31 ~~moneys received by the district from whatever source for preschool-aged~~
32 ~~at-risk assistance plans or programs shall be credited to the preschool-~~
33 ~~aged at-risk education fund established by this section.~~ The expenses of
34 a district directly attributable to providing preschool-aged at-risk assis-
35 tance or programs shall be paid from the preschool-aged at-risk education
36 fund.

37 (b) Any balance remaining in the preschool-aged at-risk education
38 fund at the end of the budget year shall be carried forward into the
39 preschool-aged at-risk education fund for succeeding budget years. Such
40 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
41 2937, and amendments thereto. In preparing the budget of such school
42 district, the amounts credited to and the amount on hand in the pre-
43 school-aged at-risk education fund, and the amount expended therefrom

1 shall be included in the annual budget for the information of the residents
2 of the school district. Interest earned on the investment of moneys in any
3 such fund shall be credited to that fund.

4 ~~(c) Each year the board of education of each school district shall pre-~~
5 ~~pare and submit to the state board a report on the preschool-aged at-risk~~
6 ~~program or assistance provided by the district. Such report shall include~~
7 ~~information specifying the number of pupils who were served or provided~~
8 ~~assistance, the type of service provided, the research upon which the dis-~~
9 ~~trict relied in determining that a need for service or assistance existed,~~
10 ~~the results of providing such service or assistance and any other infor-~~
11 ~~mation required by the state board.~~

12 Sec. ~~30~~ **[19]**. K.S.A. 2005 Supp. 72-6421 is hereby amended to read
13 as follows: 72-6421. (a) There is hereby established in every district a
14 fund which shall be called the vocational education fund. ~~All moneys~~
15 ~~received by a district for any course or program authorized and approved~~
16 ~~under the provisions of article 44 of chapter 72 of Kansas Statutes An-~~
17 ~~notated, except for courses and programs conducted in an area vocational~~
18 ~~school, shall be credited to the vocational education fund. All moneys~~
19 ~~received by the district from tuition, fees or charges or from any other~~
20 ~~source for vocational education courses or programs, except for courses~~
21 ~~and programs conducted in an area vocational school, shall be credited~~
22 ~~to the vocational education fund. The expenses of a district directly at-~~
23 ~~tributable to vocational education~~ *Only those expenses of a district directly*
24 *attributable to vocational education courses offered at grade levels 10, 11*
25 *or 12 for which the course content is comparable to the course content of*
26 *vocational educational courses offered at an area vocational-technical*
27 *school, technical college or other postsecondary educational institution as*
28 *defined by K.S.A. 74-3201b, and amendments thereto, shall be paid from*
29 *the vocational education fund. Nothing in this section shall be construed*
30 *as prohibiting a district from paying from the vocational education fund*
31 *the expenses attributable to vocational courses for any pupil who is in*
32 *grade level nine if such course meets the requirements of this section.* **[The**
33 **expenses of the district directly attributable to vocational educa-**
34 **tion shall be paid from the vocational education fund.]**

35 (b) Obligations of a district pursuant to lawful agreements made un-
36 der K.S.A. 72-4421, and amendments thereto, shall be paid from the
37 vocational education fund established by this section. If any such agree-
38 ment expresses an obligation of a district in terms of a mill levy, such
39 obligation shall be construed to mean an amount equal to that which
40 would be produced by the levy.

41 (c) Any balance remaining in the vocational education fund at the
42 end of the budget year shall be carried forward into the vocational edu-
43 cation fund for succeeding budget years. Such fund shall not be subject

1 to the provisions of K.S.A. 79-2925 through 79-2937, and amendments
2 thereto. In preparing the budget of such school district, the amounts
3 credited to and the amount on hand in the vocational education fund,
4 and the amount expended therefrom shall be included in the annual
5 budget for the information of the residents of the school district. Interest
6 earned on the investment of moneys in any such fund shall be credited
7 to that fund.

8 ~~(d) Each year the board of education of each school district shall~~
9 ~~prepare and submit to the state board a report on the vocational education~~
10 ~~program and courses provided by the district. Such report shall include~~
11 ~~information specifying the number of pupils who were enrolled in the~~
12 ~~vocational education program and in each vocational education course~~
13 ~~offered by the district, an itemization of the cost of each vocational edu-~~
14 ~~cation course provided by the district, the research upon which the district~~
15 ~~relied in determining that a need for the course or program existed, the~~
16 ~~results of providing such course or program and any other information~~
17 ~~required by the state board.~~

18 Sec. ~~31~~ **[20]**. K.S.A. 2005 Supp. 72-6426 is hereby amended to read
19 as follows: 72-6426. (a) There is hereby established in every district a
20 fund which shall be called the contingency reserve fund. Such fund shall
21 consist of all moneys deposited therein or transferred thereto according
22 to law. The fund shall be maintained for payment of expenses of a district
23 attributable to financial contingencies as determined by the board. Except
24 as otherwise provided in subsection (b), at no time in any school year
25 shall the amount maintained in the fund exceed an amount equal to 4%
26 of the general fund budget of the district for the school year.

27 (b) (1) In any school year, if the amount in the contingency reserve
28 fund of a district is in excess of the amount authorized under subsection
29 (a) to be maintained in the fund, and if such excess amount is the result
30 of a reduction in the general fund budget of the district for the school
31 year because of a decrease in enrollment, the district may maintain the
32 excess amount in the fund until depletion of such excess amount by ex-
33 penditure from the fund for the purposes thereof.

34 (2) Except as provided in paragraph (1) of this subsection, at no time
35 in school year ~~2005-2006~~ 2006-2007, shall the amount maintained in the
36 fund exceed an amount equal to 6% of the general fund budget of the
37 district for such school year.

38 Sec. ~~32~~ **[21]**. K.S.A. 2005 Supp. 72-6434 is hereby amended to read
39 as follows: 72-6434. (a) In each school year, each district that has adopted
40 a local option budget is eligible for entitlement to an amount of supple-
41 mental general state aid. Entitlement of a district to supplemental general
42 state aid shall be determined by the state board as provided in this sub-
43 section. The state board shall:

- 1 (1) Determine the amount of the assessed valuation per pupil in the
2 preceding school year of each district in the state;
- 3 (2) rank the districts from low to high on the basis of the amounts of
4 assessed valuation per pupil determined under (1);
- 5 (3) identify the amount of the assessed valuation per pupil located at
6 the 81.2 percentile of the amounts ranked under (2);
- 7 (4) divide the assessed valuation per pupil of the district in the pre-
8 ceding school year by the amount identified under (3);
- 9 (5) subtract the ratio obtained under (4) from 1.0. If the resulting
10 ratio equals or exceeds 1.0, the eligibility of the district for entitlement
11 to supplemental general state aid shall lapse. If the resulting ratio is less
12 than 1.0, the district is entitled to receive supplemental general state aid
13 in an amount which shall be determined by the state board by multiplying
14 the amount of the local option budget of the district by such ratio. The
15 product is the amount of supplemental general state aid the district is
16 entitled to receive for the school year.
- 17 (b) If the amount of appropriations for supplemental general state
18 aid is less than the amount each district is entitled to receive for the school
19 year, the state board shall prorate the amount appropriated among the
20 districts in proportion to the amount each district is entitled to receive.
- 21 (c) The state board shall prescribe the dates upon which the distri-
22 bution of payments of supplemental general state aid to school districts
23 shall be due. Payments of supplemental general state aid shall be distrib-
24 uted to districts on the dates prescribed by the state board. The state
25 board shall certify to the director of accounts and reports the amount due
26 each district, and the director of accounts and reports shall draw a warrant
27 on the state treasurer payable to the treasurer of the district. Upon receipt
28 of the warrant, the treasurer of the district shall credit the amount thereof
29 to the supplemental general fund of the district to be used for the pur-
30 poses of such fund.
- 31 (d) If any amount of supplemental general state aid that is due to be
32 paid during the month of June of a school year pursuant to the other
33 provisions of this section is not paid on or before June 30 of such school
34 year, then such payment shall be paid on or after the ensuing July 1, as
35 soon as moneys are available therefor. Any payment of supplemental gen-
36 eral state aid that is due to be paid during the month of June of a school
37 year and that is paid to school districts on or after the ensuing July 1 shall
38 be recorded and accounted for by school districts as a receipt for the
39 school year ending on the preceding June 30.
- 40 (e) *Amounts received as supplemental general state aid shall be used*
41 *to meet the requirements under the school performance accreditation sys-*
42 *tem adopted by the state board, to provide programs and services required*
43 *by law and to improve student performance.*

1 Sec. ~~33~~ **[22]**. K.S.A. 2005 Supp. 72-6442b is hereby amended to read
2 as follows: 72-6442b. The ~~correlation~~ *high enrollment* weighting of each
3 district with ~~1,662~~ 1,632, or over enrollment **[in school year 2006-2007,**
4 **1,602 or over enrollment in school year 2007-2008 and 1,572 or**
5 **over enrollment in school year 2008-2009 and each school year**
6 **thereafter]** shall be determined by the state board as follows:

7 (a) Determine the schedule amount for a district with ~~1,662~~ 1,632
8 enrollment **[in school year 2006-2007, 1,602 enrollment in school**
9 **year 2007-2008 and 1,572 enrollment in school year 2008-2009**
10 **and each school year thereafter]** as derived from the linear transition
11 under (d) of K.S.A. 72-6412, and amendments thereto, and subtract the
12 amount determined under (c) of K.S.A. 72-6412, and amendments
13 thereto, from the schedule amount so determined;

14 (b) divide the remainder obtained under (a) by the amount deter-
15 mined under (c) of K.S.A. 72-6412, and amendments thereto, and mul-
16 tiple the quotient by the enrollment of the district in the current school
17 year. The product is the ~~correlation~~ *high enrollment* weighting of the
18 district.

19 ~~Sec. 34. K.S.A. 2005 Supp. 72-6449 is hereby amended to read as~~
20 ~~follows: 72-6449. (a) As used in this section, “school district” or “district”~~
21 ~~means a school district authorized to make a levy under this section.~~

22 ~~—(b)—The board of education of any district may levy a tax on the taxable~~
23 ~~tangible property within the district for the purpose of financing the costs~~
24 ~~incurred by the state that are attributable directly to assignment of the~~
25 ~~cost of living weighting to the enrollment of the district. There is hereby~~
26 ~~established in every school district a fund which shall be called the cost~~
27 ~~of living fund, which fund shall consist of all moneys deposited therein~~
28 ~~or transferred thereto in accordance with law. All moneys derived from~~
29 ~~a tax imposed pursuant to this section shall be credited to the cost of~~
30 ~~living fund. The proceeds from the tax levied by a district credited to the~~
31 ~~cost of living fund shall be remitted to the state treasurer in accordance~~
32 ~~with the provisions of K.S.A. 75-4215, and amendments thereto. Upon~~
33 ~~receipt of each such remittance, the state treasurer shall deposit the entire~~
34 ~~amount in the state treasury to the credit of the state school district fi-~~
35 ~~nance fund.~~

36 ~~—(c)—The state board of education shall determine whether a district~~
37 ~~may levy a tax under this section as follows:~~

38 ~~—(1)—Determine the statewide average appraised value of single family~~
39 ~~residences for the calendar year preceding the current school year;~~

40 ~~—(2)—multiply the amount determined under (1) by 1.25;~~

41 ~~—(3)—determine the average appraised value of single family residences~~
42 ~~in each school district for the calendar year preceding the current school~~
43 ~~year, and~~

1 —(4) subtract the amount determined under (2) from the amount de-
2 termined under (3). If the amount determined for the district under (4)
3 is a positive number and the district is authorized to adopt and has
4 adopted a local option budget in an amount equal to the state prescribed
5 percentage in the current school year, the district qualifies for assignment
6 of cost of living weighting and may levy a tax on the taxable tangible
7 property of the district for the purpose of financing the costs that are
8 attributable directly to assignment of the cost of living weighting to en-
9 rollment of the district.

10 —(d) Except as provided by subsection (c), no tax may be levied under
11 this section unless the board of education adopts a resolution authorizing
12 such a tax levy and publishes the resolution at least once in a newspaper
13 having general circulation in the district. Except as provided by subsection
14 (c), the resolution shall be published in substantial compliance with the
15 following form:

16 Unified School District No. _____,
17 _____ County, Kansas.

18 RESOLUTION

19 Be It Resolved that:

20 —The board of education of the above-named school district shall be authorized to levy an
21 ad valorem tax in an amount not to exceed the amount necessary to finance the costs
22 attributable directly to the assignment of cost of living weighting to the enrollment of the
23 district. The ad valorem tax authorized by this resolution may be levied unless a petition in
24 opposition to the same, signed by not less than 5% of the qualified electors of the school
25 district, is filed with the county election officer of the home county of the school district
26 within 30 days after the publication of this resolution. If a petition is filed, the county election
27 officer shall submit the question of whether the levy of such a tax shall be authorized in
28 accordance with the provisions of this resolution to the electors of the school district at the
29 next general election of the school district, as is specified by the board of education of the
30 school district.

31 CERTIFICATE

32 —This is to certify that the above resolution was duly adopted by the board
33 of education of Unified School District No. _____, _____ County, Kansas, on the
34 _____ day of _____, (year) _____.

35 _____
36 Clerk of the board of education.

37 —All of the blanks in the resolution shall be filled. If no petition as spec-
38 ified above is filed in accordance with the provisions of the resolution,
39 the resolution authorizing the ad valorem tax levy shall become effective.
40 If a petition is filed as provided in the resolution, the board may notify
41 the county election officer to submit the question of whether such tax
42 levy shall be authorized. If the board fails to notify the county election
43 officer within 30 days after a petition is filed, the resolution shall be

1 deemed abandoned and of no force and effect and no like resolution shall
2 be adopted by the board within the nine months following publication of
3 the resolution. If a majority of the votes cast in an election conducted
4 pursuant to this provision are in favor of the resolution, such resolution
5 shall be effective on the date of such election. If a majority of the votes
6 cast are not in favor of the resolution, the resolution shall be deemed of
7 no effect and no like resolution shall be adopted by the board within the
8 nine months following such election.

9 ~~—(c)—Any resolution adopted pursuant to this section for school year~~
10 ~~2005-2006 shall not be subject to the provisions of subsection (d) relating~~
11 ~~to publication, protest or election.~~

12 ~~(e)—In each school year, each district that imposes a cost of living levy~~
13 ~~shall be provided cost of living state aid in an amount determined by the~~
14 ~~state board as provided in this subsection. The state board shall:~~

15 ~~—(1)—Determine the amount of the assessed valuation per pupil in the~~
16 ~~preceding school year of each district in the state.~~

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

19 ~~—(3)—identify the amount of the assessed valuation per pupil located at~~
20 ~~the 81.2 percentile of the amounts ranked under (2);~~

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

23 ~~—(5)—subtract the ratio obtained under (4) from 1.0. If the resulting~~
24 ~~ratio equals or exceeds 1.0, the district is not entitled to receive cost of~~
25 ~~living state aid. If the resulting ratio is less than 1.0, the district is entitled~~
26 ~~to receive cost of living state aid in an amount the district is obligated to~~
27 ~~pay under subsection (b) by such ratio. The product is the amount of cost~~
28 ~~of living state aid the district is entitled to receive for the school year;~~

29 ~~—(6)—if the amount of appropriations for cost of living state aid is less~~
30 ~~than the amount each district is entitled to receive for the school year, the~~
31 ~~state board shall prorate the amount appropriated among the districts in~~
32 ~~proportion to the amount of each district is entitled to receive;~~

33 ~~—(7)—the state board shall prescribe the dates upon which the distri-~~
34 ~~bution of payment of cost of living state aid to school districts shall be~~
35 ~~due. Payments of such state aid shall be distributed to districts on the~~
36 ~~dates prescribed by the state board. The state board shall certify to the~~
37 ~~director of accounts and reports the amount due each school district and~~
38 ~~the director of accounts and reports shall draw a warrant on the state~~
39 ~~treasurer payable to the treasurer of each district. Upon receipt of the~~
40 ~~warrant, the treasurer of the district shall credit the amount thereof to~~
41 ~~the cost of living fund of the district to be used for the purposes of such~~
42 ~~fund;~~

43 ~~—(8)—if any amount of cost of living state aid that is due to be paid~~

1 ~~during the month of June of a school year pursuant to the other provisions~~
2 ~~of this section is not paid on or before June 30 of such school year, then~~
3 ~~such payment shall be paid on or after the ensuing July 1, as soon as~~
4 ~~moneys are available therefor. Any payment of cost of living state aid that~~
5 ~~is due to be paid during the month of June of a school year and that is~~
6 ~~paid to school districts on or after the ensuing July 1 shall be recorded~~
7 ~~and accounted for by school districts as a receipt for the school year~~
8 ~~ending on the preceding June 30.~~

9 Sec. ~~35~~ **[23]**. K.S.A. 2005 Supp. 72-8204c is hereby amended to read
10 as follows: 72-8204c. (a) Each year the board of education of a school
11 district shall ~~prepare a budget and a summary of the proposed budget.~~
12 ~~Such budget conduct a needs-assessment of each attendance center in the~~
13 ~~district. The needs-assessment shall be prepared in the manner and on~~
14 ~~forms prescribed by the state board. Based upon such needs assessment,~~
15 ~~the board shall prepare a budget for each attendance center and the school~~
16 ~~district. The board also shall prepare~~ **[The board shall prepare a**
17 **budget and]** ~~a summary of the budget for the school district. The budgets~~
18 **[budget]** and summary shall be in the form prescribed by the director
19 pursuant to K.S.A. 79-2926, and amendments thereto.

20 (b) The ~~budget budgets~~ **[budget]** and the summary of the proposed
21 budget shall be on file at the administrative offices of the school district.
22 Copies of such ~~budget budgets~~ **[budget]** and summary shall be available
23 upon request.

24 (c) The notice required to be published by K.S.A. 79-2929, and
25 amendments thereto, shall include a statement that the ~~budget budgets~~
26 **[budget]** and the summary of the proposed budget is on file at the ad-
27 ministrative offices of the district and that copies of such ~~budget budgets~~
28 **[budget]** and summary are available upon request.

29 Sec. ~~36~~ **[24]**. K.S.A. 2005 Supp. 72-8814 is hereby amended to read
30 as follows: 72-8814. (a) ~~There is hereby established in the state treasury~~
31 ~~the school district capital outlay state aid fund. Such fund shall consist of~~
32 ~~all amounts transferred thereto under the provisions of subsection (c).~~

33 ~~—(b)~~ In each school year, each school district which levies a tax pur-
34 suant to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled
35 to receive payment ~~from the school district for~~ capital outlay state aid
36 ~~fund~~ in an amount determined by the state board of education as provided
37 in this subsection. The state board of education shall:

38 (1) Determine the amount of the assessed valuation per pupil (AVPP)
39 of each school district in the state and round such amount to the nearest
40 \$1,000. The rounded amount is the AVPP of a school district for the
41 purposes of this section;

42 (2) determine the median AVPP of all school districts;

43 (3) prepare a schedule of dollar amounts using the amount of the

1 median AVPP of all school districts as the point of beginning. The sched-
2 ule of dollar amounts shall range upward in equal \$1,000 intervals from
3 the point of beginning to and including an amount that is equal to the
4 amount of the AVPP of the school district with the highest AVPP of all
5 school districts and shall range downward in equal \$1,000 intervals from
6 the point of beginning to and including an amount that is equal to the
7 amount of the AVPP of the school district with the lowest AVPP of all
8 school districts;

9 (4) determine a state aid percentage factor for each school district by
10 assigning a state aid computation percentage to the amount of the median
11 AVPP shown on the schedule, decreasing the state aid computation per-
12 centage assigned to the amount of the median AVPP by one percentage
13 point for each \$1,000 interval above the amount of the median AVPP,
14 and increasing the state aid computation percentage assigned to the
15 amount of the median AVPP by one percentage point for each \$1,000
16 interval below the amount of the median AVPP. The state aid percentage
17 factor of a school district is the percentage assigned to the schedule
18 amount that is equal to the amount of the AVPP of the school district,
19 except that the state aid percentage factor of a school district shall not
20 exceed 100%. The state aid computation percentage is 25%;

21 (5) determine the amount levied by each school district pursuant to
22 K.S.A. 72-8801 et seq., and amendments thereto;

23 (6) multiply the amount computed under (5), but not to exceed 8
24 mills, by the applicable state aid percentage factor. The product is the
25 amount of payment the school district is entitled to receive ~~from the~~
26 ~~school district for~~ capital outlay state aid fund in the school year.

27 ~~(c)~~ (b) The state board shall certify to the director of accounts and
28 reports the entitlements of school districts determined under the provi-
29 sions of subsection (b), and an amount equal thereto shall be transferred
30 by the director from the state general fund to the school district (a) for
31 payment of capital outlay state aid fund for distribution to school districts
32 in accordance with the provisions of appropriation acts.

33 ~~(d)~~ (c) Payments ~~from the school district for~~ capital outlay state aid
34 ~~fund~~ shall be distributed to school districts at times determined by the
35 state board of education. The state board of education shall certify to the
36 director of accounts and reports the amount due each school district en-
37 titled to payment ~~from the fund of~~ capital outlay state aid, and the di-
38 rector of accounts and reports shall draw a warrant on the state treasurer
39 payable to the treasurer of the school district. Upon receipt of the warrant,
40 the treasurer of the school district shall credit the amount thereof to the
41 capital outlay fund of the school district to be used for the purposes of
42 such fund.

43 Sec. ~~37~~ [25]. K.S.A. 2005 Supp. 72-9509 is hereby amended to read

1 as follows: 72-9509. (a) There is hereby established in every school district
2 a fund which shall be called the “bilingual education fund,” which fund
3 shall consist of all moneys deposited therein or transferred thereto ac-
4 cording to law. ~~Notwithstanding any other provision of law, all moneys~~
5 ~~received by the school district from whatever source for bilingual edu-~~
6 ~~cation programs established under this act shall be credited to the fund~~
7 ~~established by this section.~~ The expenses of a district directly attributable
8 to such bilingual education programs shall be paid from the bilingual
9 education fund.

10 (b) Any balance remaining in the bilingual education fund at the end
11 of the budget year shall be carried forward into the bilingual education
12 fund for succeeding budget years. Such fund shall not be subject to the
13 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
14 In preparing the budget of such school district, the amounts credited to
15 and the amount on hand in the bilingual education fund, and the amount
16 expended therefrom shall be included in the annual budget for the in-
17 formation of the residents of the school district. Interest earned on the
18 investment of moneys in any such fund shall be credited to that fund.

19 ~~(c) Each year the board of education of each school district shall pre-~~
20 ~~pare and submit to the state board a report on the bilingual education~~
21 ~~program and assistance provided by the district. Such report shall include~~
22 ~~information specifying the number of pupils who were served or provided~~
23 ~~assistance, the type of service provided, the research upon which the dis-~~
24 ~~trict relied in determining that a need for service or assistance existed,~~
25 ~~the results of providing such service or assistance and any other infor-~~
26 ~~mation required by the state board.~~

27 Sec. ~~38~~ **[26]**. K.S.A. 2005 Supp. 79-2926 is hereby amended to read
28 as follows: 79-2926. (a) Subject to the provisions of subsection (b), the
29 director of accounts and reports shall prepare and prescribe forms for the
30 annual budgets of all taxing subdivisions or municipalities of the state.
31 Such forms shall show the information required by this act necessary and
32 proper to disclose complete information as to the financial condition of
33 such taxing subdivision or municipality, and the receipts and expenditures
34 thereof, both past and anticipated.

35 (b) (1) ~~From and after July 1, 2004 and~~ Based upon recommenda-
36 tions by the state department of education, the director shall prepare and
37 prescribe forms for the annual budget and a summary of the proposed
38 budget of school districts. The state department of education shall make
39 such recommendations ~~after considering~~ *taking into consideration* the
40 best practices and standards established by the government finance of-
41 ficers association and the association of school business officials *and rec-*
42 *ommendations of the legislative division of post audit.*

43 (2) (A) The school district budget form shall include a separate table

- 1 outlining the aggregate amount of expenditures for salaries and wages for
2 the following categories:
- 3 (i) Certified and noncertified administrators;
 - 4 (ii) persons employed full-time as teachers;
 - 5 (iii) other certified employees who are not employed full-time as
6 teachers;
 - 7 (iv) classified employees;
 - 8 (v) other positions designated by the state department of education;
 - 9 and
 - 10 (vi) substitutes and other temporary employees.
- 11 (B) The school district budget form shall show the number of full-
12 time employee positions specified in paragraph (A) of this subsection and
13 the average salaries or wages for such positions.
- 14 (C) The school district budget form shall show any other information
15 recommended by the state department of education.
- 16 (3) The summary of the proposed budget form shall include:
- 17 (A) An overview of the proposed budget of the school district and the
18 budgetary process;
 - 19 (B) a summary of the changes in the proposed budget from the pre-
20 vious budget year;
 - 21 (C) a summary of the estimated expenditures to be made and reve-
22 nues to be received in the ensuing budget year and the sources of such
23 revenue;
 - 24 (D) the internet website address for school building report cards
25 compiled by the state department of education; and
 - 26 (E) any other information specified by the state department of edu-
27 cation.
- 28 (4) Nothing in this subsection (b) shall be construed as limiting the
29 authority of school districts to develop and provide material or informa-
30 tion in addition to that required by the state department of education.
- 31 (5) The state department of education shall provide technical advice
32 and assistance to school districts to insure compliance with the provisions
33 of this section.
- 34 (c) All such budget and tax levy forms shall be printed by the division
35 of printing in such quantity as required by the director. The director shall
36 deliver the forms for school districts to the clerk of the board of education
37 of each school district. The forms for all other taxing subdivisions or mu-
38 nicipalities of the state shall be delivered by the director to the county
39 clerk of each county, who shall deliver the same to the presiding officer
40 of the governing body of the respective taxing subdivisions or municipal-
41 ities within the county.
- 42 Sec. ~~39~~ [27]. K.S.A. 2005 Supp. 79-2927a is hereby amended to read
43 as follows: 79-2927a. (a) When preparing the budget for a [the] school

1 district, the board of education of the district shall budget to expend only
2 the amount estimated to be spent from each fund of the school district.
3 ~~The budget of the school district shall be based upon~~ **[When preparing**
4 **the budget for the school district, the board shall consider]** ~~the~~
5 ~~needs-assessment required by K.S.A. 72-8204c, and amendments thereto.~~

6 (b) Except as provided by this subsection, any unexpended moneys
7 remaining in a fund of a school district at the end of the budget year may
8 be carried forward into such fund for succeeding budget years. The pro-
9 visions of this subsection shall not apply to the general fund or the sup-
10 plemental general fund of the school district.

11 (c) Whenever unexpended moneys in a school district fund are car-
12 ried forward into such fund for the succeeding budget year, the budget
13 of the school district shall reflect the ending balance in such fund which
14 the school district estimates will be carried forward to the succeeding
15 budget year.

16 (d) If the board of education determines it is necessary to expend
17 moneys which had been budgeted to be carried forward into the next
18 succeeding budget year, the board shall amend its previously adopted
19 budget. Any amended budget shall be subject to the same publication,
20 notice and public hearing requirements as is required by K.S.A. 79-2929,
21 and amendments thereto, for the adoption of the original budget.

22 **[Sec. 28. K.S.A. 2005 Supp. 72-64c01 is hereby amended to**
23 **read as follows: 72-64c01. (a) It is the public policy goal of the state**
24 **of Kansas that at least 65% of the moneys appropriated, distributed**
25 **or otherwise provided by the state to school districts shall be ex-**
26 **pended in the classroom or for instruction.**

27 ~~[(b) All moneys attributable to the increase in the amount of base~~
28 ~~state aid per pupil under the provisions of this act shall be expended in~~
29 ~~the classroom or for instruction.~~

30 ~~[(c) The amount of moneys expended per pupil in the classroom or~~
31 ~~for instruction in school year 2005-2006, shall not be less than the amount~~
32 ~~of moneys expended per pupil for such purposes in school year 2004-~~
33 ~~2005, plus \$35 per pupil.~~

34 ~~[(d) (b) As used in this section, “instruction” means the activi-~~
35 ~~ties dealing directly with the interaction between teachers and stu-~~
36 ~~dents and may be provided in a school classroom, in another lo-~~
37 ~~cation such as a home or hospital, and in other learning situations~~
38 ~~such as those involving cocurricular activities. Instruction also may~~
39 ~~be provided through the internet, television, radio, computer, mul-~~
40 ~~timedia telephone, correspondence that is delivered inside or out-~~
41 ~~side the classroom and other teacher-student settings or through~~
42 ~~other approved media. Instruction also includes the activities of~~
43 ~~aides or classroom assistants of any type including, but not limited~~

1 to, clerks, graders and teaching machines which assist in the in-
2 structional process.

3 [Sec. 29. K.S.A. 2005 Supp. 72-64c04 is hereby amended to
4 read as follows: 72-64c04. (a) For school year 2007-2008, and for
5 each school year thereafter, the total amount of state aid, except
6 for state aid for special education and related services, shall be
7 increased by not less than a percentage equal to the percentage
8 increase in the CPI (urban) during the preceding fiscal year as
9 certified to the commissioner of education by the director of the
10 budget and the director of the legislative research department on
11 August 15 of each year. Such state aid shall be distributed and
12 adjusted for weighted enrollment changes in the manner provided
13 by law. If there is a percentage decrease or no change in the CPI
14 (urban) during the preceding fiscal year, the amount of state aid,
15 excluding state aid for special education and related services, shall
16 be no less than the amount of such aid in the preceding fiscal year.

17 [(b) *The increases in the amount of state aid attributable to the new*
18 *weightings created by this act, the increases in the existing weightings and*
19 *the increases in the amount of base state aid per pupil shall be deemed to*
20 *satisfy the requirements of subsection (a) for school years 2006-2007,*
21 *2007-2008 and 2008-2009.*

22 [(b) (c) **The provisions of this section shall expire on June 30,**
23 **2010.**

24 [New Sec. 30. (a) As used in this section, “school district” or
25 “district” means a school district which has adopted a local option
26 budget in an amount which equals the state prescribed percentage
27 under K.S.A. 72-6433, and amendments thereto.

28 [(b) Except as provided in subsection (f), in school year 2010-
29 2011 and each school year thereafter, the board of education of
30 each school district may levy annually an ad valorem tax on the
31 taxable tangible property of the district for the purpose of provid-
32 ing revenue for the local supplemental aid fund of the district and
33 for the purpose of paying a portion of the principal and interest
34 on bonds issued by cities under authority of K.S.A. 12-1774, and
35 amendments thereto, for the financing of redevelopment projects
36 upon property located within the district.

37 [(c) The board of education of any school district which desires
38 to adopt a local option budget which exceeds the state prescribed
39 percentage, may do so by adoption of a resolution stating the
40 amount of such budget. The amount of such budget shall be ex-
41 pressed as a percentage of the state financial aid determined for
42 the district in the school year. Such resolution shall be subject to
43 publication, protest and election in the same manner provided for

1 resolutions adopted under K.S.A. 72-6433, and amendments
2 thereto.

3 [(d) The proceeds from the tax levied by a district under au-
4 thority of this section, except the proceeds of such tax levied for
5 the purpose of paying a portion of the principal and interest on
6 bonds issued by cities under authority of K.S.A. 12-1774, and
7 amendments thereto, for the financing of redevelopment projects
8 upon property located within the district, shall be deposited in the
9 local supplemental aid fund of the district.

10 [(e) There is hereby created in every school district a local sup-
11 plemental aid fund. The fund shall consist of amounts deposited
12 therein or credited thereto according to law. Amounts in the local
13 supplemental aid fund shall be expended on programs and services
14 not mandated by state law.

15 [(f) Any balance remaining in the local supplemental aid fund
16 at the end of the budget year shall be carried forward into that
17 fund for succeeding budget years. Such fund shall not be subject
18 to the provisions of K.S.A. 79-2925 through 79-2937, and amend-
19 ments thereto. In preparing the budget of such school district, the
20 amounts credited to and the amount on hand in the enrichment
21 fund, and the amount expended therefrom shall be included in the
22 annual budget for the information of the residents of the school
23 district. Interest earned on the investment of moneys in any such
24 fund shall be credited to that fund.

25 [(g) The provisions of this section shall apply in any school year
26 in which it is determined by law that the legislature has appropri-
27 ated sufficient moneys to meet its constitutional duty to make suit-
28 able provision for the finance of educational interests of the state.
29 Such determination shall be based upon the cost study analysis
30 required by K.S.A. 2005 Supp. 46-1131, and amendments thereto.

31 [Sec. 31. K.S.A. 2005 Supp. 46-1131 is hereby amended to
32 read as follows: 46-1131. (a) ~~The purpose of this section is to assist the~~
33 ~~legislature in the gathering of information which is necessary for the leg-~~
34 ~~islature's consideration when meeting its constitutional duties to: (1) Pro-~~
35 ~~vide for intellectual, educational, vocational and scientific improvement~~
36 ~~in public schools established and maintained by the state, and (2) make~~
37 ~~suitable provision for the finance of educational interests of the state. The~~
38 ~~division of post-audit shall conduct a professional cost study analysis to~~
39 ~~estimate the costs of providing programs and services required by law.~~

40 [(a) *For the purpose of determining whether the legislature has ap-*
41 *propriated sufficient moneys to meet its constitutional duty to make suit-*
42 *able provision for the finance of educational interests of the state, in school*
43 *year 2008-2009 and each three school years thereafter, the division of*

1 legislative post audit shall conduct a professional cost study analysis to
2 estimate the costs of providing programs and services required by law.

3 **[(b) As used in this section, “law” means any: (1) State statute;**
4 **and (2) rules and regulations or standards relating to student per-**
5 **formance outcomes adopted by the state board.**

6 **[(c) The cost study analysis shall be based upon data available**
7 **through the current school year 2004-2005.** Subject to the provisions of
8 subsection (d), the cost study analysis shall be conducted as directed by
9 the legislative post audit committee.

10 ~~[(d) Any cost study analysis conducted pursuant to this section shall~~
11 ~~include:~~

12 ~~[(1) A determination of the services or programs required by law to~~
13 ~~be provided by school districts and a review of the high school graduation~~
14 ~~requirements and the school performance accreditation system, pupil as-~~
15 ~~essments and other requirements of K.S.A. 72-6439, and amendments~~
16 ~~thereto.~~

17 ~~[(2) A review of the admissions requirements established by the state~~
18 ~~board of regents pursuant to K.S.A. 76-716, and amendments thereto,~~
19 ~~state scholarship requirements established by the state board of regents.~~

20 ~~[(3) A study of the actual costs incurred in a sample of school districts~~
21 ~~to provide reasonable estimates of the costs for regular elementary and~~
22 ~~secondary education as required by law, including instruction, adminis-~~
23 ~~tration, support staff, supplies, equipment and building costs.~~

24 ~~[(4) A study of the actual costs incurred in a sample of school districts~~
25 ~~to provide reasonable estimates of the costs for specialized education~~
26 ~~services as required by law including, but not limited to, special education~~
27 ~~and related services, bilingual education and at-risk programs.~~

28 ~~[(5) A study of the factors which may contribute to the variations in~~
29 ~~costs incurred by school districts of various sizes and in various regions~~
30 ~~of the state when providing services or programs as required by law. Such~~
31 ~~study shall include all administrative costs of providing program and serv-~~
32 ~~ices as required by law.~~

33 ~~[(6) An analysis in a sample of districts as determined by the legis-~~
34 ~~lative post auditor showing such things as:~~

35 ~~[(A) The percent of the estimated costs of providing programs and~~
36 ~~services as required by law that could have been funded by the various~~
37 ~~types of state aid the districts received in the most recently completed~~
38 ~~school year, as well as the percent funded by the district’s local option~~
39 ~~budget;~~

40 ~~[(B) the percent of district funding that is spent on instruction;~~

41 ~~[(C) the percent of district funding that is spent on administration~~
42 ~~including central administration; and~~

43 ~~[(D) the percent of district funding that is spent on support services.~~

1 ~~[(7) A review of relevant studies that assess whether there is a cor-~~
2 ~~relation between amounts spent on education and student performance.~~

3 ~~[(8) A review to determine whether students who are counted as a~~
4 ~~basis for computing funding for specialized educational services are ac-~~
5 ~~tually receiving those services.~~

6 ~~[(9) Any additional reviews or analyses the legislative post auditor~~
7 ~~considers relevant to the legislature's decisions regarding the cost of fund-~~
8 ~~ing services or programs required by law.~~

9 ~~[(e) The division also shall conduct a professional cost study analysis~~
10 ~~considering the same factors specified in subsection (d), except that such~~
11 ~~cost study analysis shall consider only those curriculum, related services~~
12 ~~and programs mandated by state statute.~~

13 ~~[(f) (d) In conducting such cost analysis study, historical data~~
14 ~~and expenditures may be used to estimate future reasonable and~~
15 ~~actual costs so long as any examination of historical data and ex-~~
16 ~~penditures corrects any recognized inadequacy of such data or ex-~~
17 ~~penditure through a reliable method of extrapolation. The cost~~
18 ~~study analysis shall incorporate these requirements and any report~~
19 ~~to the legislature must demonstrate how the incorporation was~~
20 ~~accomplished.~~

21 ~~[(g) (f) In conducting such cost analysis study and subject to the~~
22 ~~limitations of the budget of the division and appropriations there-~~
23 ~~for, the legislative post auditor may enter into contracts with con-~~
24 ~~sultants as the post auditor deems necessary.~~

25 ~~[(h) (g) In conducting such cost study analysis, the legislative~~
26 ~~post auditor shall have the authority to access all books, accounts,~~
27 ~~records, files, documents and correspondence, confidential or oth-~~
28 ~~erwise, as authorized in conducting an audit under the legislative~~
29 ~~post audit act.~~

30 ~~[(i) (h) Following the completion of such cost analysis study, the leg-~~
31 ~~islative post auditor shall submit a detailed report thereon to the legisla-~~
32 ~~ture **On or before the first day of the 2006 legislative session follow-**~~
33 ~~**ing the completion of each such cost analysis study, the legislative post**~~
34 ~~**auditor shall submit a detailed report thereon. If additional time is**~~
35 ~~**needed to provide the most accurate information relating to any**~~
36 ~~**area of requested study, the legislative post auditor shall so report**~~
37 ~~**to the legislature, explaining the reasons for the need for addi-**~~
38 ~~**tional time and providing a reasonable time frame for completion**~~
39 ~~**of that aspect of the study. In that event, the legislative post auditor**~~
40 ~~**shall submit a report on that portion of the study which has been**~~
41 ~~**completed before the start of the 2006 legislative session and the**~~
42 ~~**balance of such report shall be submitted within the time frame**~~
43 ~~**established by the legislative post auditor when requesting addi-**~~

1 **tional time.**

2 ~~[(j) For any agency required to be audited under K.S.A. 74-7283 et~~
3 ~~seq., and amendments thereto, in time to be reviewed and evaluated~~
4 ~~during the 2006, 2007 or 2008 regular session of the legislature, such~~
5 ~~review and evaluation shall be moved forward one year.~~

6 ~~[(k) (i) The provisions of this section shall be part of and sup-~~
7 ~~plemental to the legislative post audit act.~~

8 [Sec. 32. K.S.A. 2005 Supp. 72-6433 is hereby amended to
9 read as follows: 72-6433. (a) (1) The board of any district may adopt
10 a local option budget in each school year in an amount not to ex-
11 ceed an amount equal to the district prescribed percentage of the
12 amount of state financial aid determined for the district in the
13 school year. As used in this section, “district prescribed percent-
14 age” means:

15 [(A) For any district that was authorized to adopt and that
16 adopted a local option budget in the 1996-97 school year and to
17 which the provisions of K.S.A. 72-6444, and amendments thereto,
18 do not apply in the current school year, in the 2001-02 school year
19 and in each school year thereafter, a percentage that is equal to
20 80% of the percentage specified in the resolution under which the
21 district was authorized to adopt a local option budget in the 1996-
22 97 school year;

23 [(B) for any district that was authorized to adopt and that
24 adopted a local option budget in the 1996-97 school year and to
25 which the provisions of K.S.A. 72-6444, and amendments thereto,
26 apply in the current school year, a percentage in the 2001-02
27 school year and each school year thereafter that is equal to the
28 sum of the percentage of the amount of state financial aid the
29 district was authorized to budget in the preceding school year and
30 the percentage computed for the district by the state board under
31 the provisions of K.S.A. 72-6444, and amendments thereto;

32 [(C) for any district that was not authorized to adopt a local
33 option budget in the 1996-97 school year and to which the provi-
34 sions of K.S.A. 72-6444, and amendments thereto, apply in the cur-
35 rent school year, a percentage in the 2001-02 school year and each
36 school year thereafter that is equal to the sum of the percentage
37 of the amount of state financial aid the district was authorized to
38 budget in the preceding school year and the percentage computed
39 for the district by the state board under the provisions of K.S.A.
40 72-6444, and amendments thereto;

41 [(D) for any district to which the provisions of K.S.A. 72-6444,
42 and amendments thereto, applied in the 1997-98 school year and
43 to which the provisions of K.S.A. 72-6444, and amendments

1 thereto, do not apply in the current school year because an in-
2 crease in the amount budgeted by the district in its local option
3 budget as authorized by a resolution adopted under the provisions
4 of subsection (b) causes the actual amount per pupil budgeted by
5 the district in the preceding school year as determined for the
6 district under provision (1) of subsection (a) of K.S.A. 72-6444, and
7 amendments thereto, to equal or exceed the average amount per
8 pupil of general fund budgets and local option budgets computed
9 by the state board under whichever of the provisions (7) through
10 (10) of subsection (a) of K.S.A. 72-6444, and amendments thereto,
11 is applicable to the district's enrollment group, a percentage that
12 is equal to the percentage of the amount of state financial aid the
13 district was authorized to budget in the preceding school year if
14 the resolution authorized the district to increase its local option
15 budget on a continuous and permanent basis. If the resolution that
16 authorized the district to increase its local option budget specified
17 a definite period of time for which the district would retain its
18 authority to increase the local option budget and such authority
19 lapses at the conclusion of such period and is not renewed, the
20 term district prescribed percentage means a percentage that is
21 equal to the percentage of the amount of state financial aid the
22 district was authorized to budget in the preceding school year less
23 the percentage of increase that was authorized by the resolution
24 unless the loss of the percentage of increase that was authorized
25 by the resolution would cause the actual amount per pupil budg-
26 eted by the district to be less than the average amount per pupil
27 of general fund budgets and local option budgets computed by the
28 state board under whichever of the provisions (7) through (10) of
29 subsection (a) of K.S.A. 72-6444, and amendments thereto, is ap-
30 plicable to the district's enrollment group, in which case, the term
31 district prescribed percentage means a percentage that is equal to
32 the percentage of the amount of state financial aid the district was
33 authorized to budget in the preceding school year less the per-
34 centage of increase that was authorized by the resolution plus a
35 percentage which shall be computed for the district by the state
36 board in accordance with the provisions of K.S.A. 72-6444, and
37 amendments thereto, except that, in making the determination of
38 the actual amount per pupil budgeted by the district in the pre-
39 ceeding school year, the state board shall exclude the percentage
40 of increase that was authorized by the resolution.

41 [(2) (A) Subject to the provisions of subpart (B), the adoption
42 of a local option budget under authority of this subsection shall
43 require a majority vote of the members of the board and shall

1 **require no other procedure, authorization or approval.**

2 **[(B) In lieu of utilizing the authority granted by subpart (A) for**
3 **adoption of a local option budget, the board of a district may pass**
4 **a resolution authorizing adoption of such a budget and publish**
5 **such resolution once in a newspaper having general circulation in**
6 **the district. The resolution shall be published in substantial com-**
7 **pliance with the following form:**

8 [Unified School District No. _____

9 [_____ County, Kansas.

10 **[RESOLUTION**

11 **[Be It Resolved that:**

12 **[The board of education of the above-named school district shall be authorized**
13 **to adopt a local option budget in each school year for a period of time not to exceed**
14 **_____ years in an amount not to exceed _____% of the amount of state financial**
15 **aid determined for the current school year. The local option budget authorized by**
16 **this resolution may be adopted, unless a petition in opposition to the same, signed**
17 **by not less than 5% of the qualified electors of the school district, is filed with the**
18 **county election officer of the home county of the school district within 30 days after**
19 **publication of this resolution. In the event a petition is filed, the county election**
20 **officer shall submit the question of whether adoption of the local option budget**
21 **shall be authorized to the electors of the school district at an election called for the**
22 **purpose or at the next general election, as is specified by the board of education**
23 **of the school district.**

24 **[CERTIFICATE**

25 **[This is to certify that the above resolution was duly adopted by the board of**
26 **education of Unified School District No. _____, _____ County, Kansas, on**
27 **the _____ day of _____, _____.**

28 [_____

29 [Clerk of the board of education.

30 **[All of the blanks in the resolution shall be appropriately filled.**
31 **The blank preceding the word “years” shall be filled with a specific**
32 **number, and the blank preceding the percentage symbol shall be**
33 **filled with a specific number. No word shall be inserted in either**
34 **of the blanks. The percentage specified in the resolution shall not**
35 **exceed the district prescribed percentage. The resolution shall be**
36 **published once in a newspaper having general circulation in the**
37 **school district. If no petition as specified above is filed in accord-**
38 **ance with the provisions of the resolution, the board may adopt a**
39 **local option budget. If a petition is filed as provided in the reso-**
40 **lution, the board may notify the county election officer of the date**
41 **of an election to be held to submit the question of whether adop-**
42 **tion of a local option budget shall be authorized. If the board fails**
43 **to notify the county election officer within 30 days after a petition**

1 is filed, the resolution shall be deemed abandoned and no like
2 resolution shall be adopted by the board within the nine months
3 following publication of the resolution. If any district is authorized
4 to adopt a local option budget under this subpart, but the board
5 of such district chooses, in any school year, not to adopt such a
6 budget or chooses, in any school year, to adopt such budget in an
7 amount less than the amount of the district prescribed percentage
8 of the amount of state financial aid in any school year, such board
9 of education may so choose. If the board of any district refrains
10 from adopting a local option budget in any one or more school
11 years or refrains from budgeting the total amount authorized for
12 any one or more school years, the authority of such district to adopt
13 a local option budget shall not be extended by such refrainment
14 beyond the period specified in the resolution authorizing adoption
15 of such budget, nor shall the amount authorized to be budgeted
16 in any succeeding school year be increased by such refrainment.
17 Whenever an initial resolution has been adopted under this sub-
18 part, and such resolution specified a lesser percentage than the
19 district prescribed percentage, the board of the district may adopt
20 one or more subsequent resolutions under the same procedure as
21 provided for the initial resolution and subject to the same condi-
22 tions, and shall be authorized to increase the percentage as spec-
23 ified in any such subsequent resolution for the remainder of the
24 period of time specified in the initial resolution. Any percentage
25 specified in a subsequent resolution or in subsequent resolutions
26 shall be limited so that the sum of the percentage authorized in
27 the initial resolution and the percentage authorized in the subse-
28 quent resolution or in subsequent resolutions is not in excess of
29 the district prescribed percentage in any school year. The board
30 of any district that has been authorized to adopt a local option
31 budget under this subpart and levied a tax under authority of
32 K.S.A. 72-6435, and amendments thereto, may initiate, at any time
33 after the final levy is certified to the county clerk under any cur-
34 rent authorization, procedures to renew its authority to adopt a
35 local option budget in the manner specified in this subpart or may
36 utilize the authority granted by subpart (A). As used in this subpart,
37 the term “authorized to adopt a local option budget” means that
38 a district has adopted a resolution under this subpart, has pub-
39 lished the same, and either that the resolution was not protested
40 or that it was protested and an election was held by which the
41 adoption of a local option budget was approved.
42 [(3) The provisions of this subsection are subject to the provi-
43 sions of subsections (b) and (c).

1 **[(b) The provisions of this subsection (b) shall be subject to the**
2 **provisions of K.S.A. 72-6433a, and amendments thereto.**

3 **[(1) The board of any district that adopts a local option budget**
4 **under subsection (a) may increase the amount of such budget in**
5 **each school year in an amount which together with the percentage**
6 **of the amount of state financial aid budgeted under subsection (a)**
7 **does not exceed the state prescribed percentage of the amount of**
8 **state financial aid determined for the district in the school year if**
9 **the board of the district determines that an increase in such budget**
10 **would be in the best interests of the district.**

11 **[(2) No district may increase a local option budget under au-**
12 **thority of this subsection until: (A) A resolution authorizing such**
13 **an increase is passed by the board and published once in a news-**
14 **paper having general circulation in the district; or (B) the question**
15 **of whether the board shall be authorized to increase the local op-**
16 **tion budget has been submitted to and approved by the qualified**
17 **electors of the district at a special election called for the purpose.**
18 **Any such election shall be noticed, called and held in the manner**
19 **provided by K.S.A. 10-120, and amendments thereto, for the no-**
20 **ticing, calling and holding of elections upon the question of issuing**
21 **bonds under the general bond law. The notice of such election**
22 **shall state the purpose for and time of the election, and the ballot**
23 **shall be designed with the question of whether the board of edu-**
24 **cation of the district shall be continuously and permanently au-**
25 **thorized to increase the local option budget of the district in each**
26 **school year by a percentage which together with the percentage**
27 **of the amount of state financial aid budgeted under subsection (a)**
28 **does not exceed the state prescribed percentage in any school**
29 **year. If a majority of the qualified electors voting at the election**
30 **approve authorization of the board to increase the local option**
31 **budget, the board shall have such authority. If a majority of the**
32 **qualified electors voting at the election are opposed to authori-**
33 **zation of the board to increase the local option budget, the board**
34 **shall not have such authority and no like question shall be sub-**
35 **mitted to the qualified electors of the district within the nine**
36 **months following the election.**

37 **[(3) (A) Subject to the provisions of subpart (B), a resolution**
38 **authorizing an increase in the local option budget of a district shall**
39 **state that the board of education of the district shall be authorized**
40 **to increase the local option budget of the district in each school**
41 **year in an amount not to exceed ____% of the amount of state**
42 **financial aid determined for the current school year and that the**
43 **percentage of increase may be reduced so that the sum of the**

1 percentage of the amount of state financial aid budgeted under
2 subsection (a) and the percentage of increase specified in the res-
3 olution does not exceed the state prescribed percentage in any
4 school year. The blank preceding the percentage symbol shall be
5 filled with a specific number. No word shall be inserted in the
6 blank. The resolution shall specify a definite period of time for
7 which the board shall be authorized to increase the local option
8 budget and such period of time shall be expressed by the specific
9 number of school years for which the board shall retain its au-
10 thority to increase the local option budget. No word shall be used
11 to express the number of years for which the board shall be au-
12 thorized to increase the local option budget.

13 [(B) In lieu of the requirements of subpart (A) and at the dis-
14 cretion of the board, a resolution authorizing an increase in the
15 local option budget of a district may state that the board of edu-
16 cation of the district shall be continuously and permanently au-
17 thorized to increase the local option budget of the district in each
18 school year by a percentage which together with the percentage
19 of the amount of state financial aid budgeted under subsection (a)
20 does not exceed the state prescribed percentage in any school
21 year.

22 [(4) A resolution authorizing an increase in the local option
23 budget of a district shall state that the amount of the local option
24 budget may be increased as authorized by the resolution unless a
25 petition in opposition to such increase, signed by not less than 5%
26 of the qualified electors of the school district, is filed with the
27 county election officer of the home county of the school district
28 within 30 days after publication. If no petition is filed in accord-
29 ance with the provisions of the resolution, the board is authorized
30 to increase the local option budget of the district. If a petition is
31 filed as provided in the resolution, the board may notify the county
32 election officer of the date of an election to be held to submit the
33 question of whether the board shall be authorized to increase the
34 local option budget of the district. If the board fails to notify the
35 county election officer within 30 days after a petition is filed, the
36 resolution shall be deemed abandoned and no like resolution shall
37 be adopted by the board within the nine months following publi-
38 cation of the resolution.

39 [(5) The requirements of provision (2) do not apply to any dis-
40 trict that is continuously and permanently authorized to increase
41 the local option budget of the district. An increase in the amount
42 of a local option budget by such a district shall require a majority
43 vote of the members of the board and shall require no other pro-

1 cedure, authorization or approval.

2 [(6) If any district is authorized to increase a local option
3 budget, but the board of such district chooses, in any school year,
4 not to adopt or increase such budget or chooses, in any school year,
5 to adopt or increase such budget in an amount less than the
6 amount authorized, such board of education may so choose. If the
7 board of any district refrains from adopting or increasing a local
8 option budget in any one or more school years or refrains from
9 budgeting the total amount authorized for any one or more school
10 years, the amount authorized to be budgeted in any succeeding
11 school year shall not be increased by such refrainment, nor shall
12 the authority of the district to increase its local option budget be
13 extended by such refrainment beyond the period of time specified
14 in the resolution authorizing an increase in the local option budget
15 if the resolution specified such a period of time.

16 [(7) Whenever an initial resolution has been adopted under
17 this subsection, and such resolution specified a percentage which
18 together with the percentage of the amount of state financial aid
19 budgeted under subsection (a) is less than the state prescribed
20 percentage, the board of the district may adopt one or more sub-
21 sequent resolutions under the same procedure as provided for the
22 initial resolution and shall be authorized to increase the percent-
23 age as specified in any such subsequent resolution. If the initial
24 resolution specified a definite period of time for which the district
25 is authorized to increase its local option budget, the authority to
26 increase such budget by the percentage specified in any subse-
27 quent resolution shall be limited to the remainder of the period of
28 time specified in the initial resolution. Any percentage specified
29 in a subsequent resolution or in subsequent resolutions shall be
30 limited so that the sum of the percentage authorized in the initial
31 resolution and the percentage authorized in the subsequent res-
32 olution or in subsequent resolutions together with the percentage
33 of the amount of state financial aid budgeted under subsection (a)
34 is not in excess of the state prescribed percentage in any school
35 year.

36 [(8) (A) Subject to the provisions of subpart (B), the board of
37 any district that has adopted a local option budget under subsec-
38 tion (a), has been authorized to increase such budget under a res-
39 olution which specified a definite period of time for retention of
40 such authorization, and has levied a tax under authority of K.S.A.
41 72-6435, and amendments thereto, may initiate, at any time after
42 the final levy is certified to the county clerk under any current
43 authorization, procedures to renew the authority to increase the

1 local option budget subject to the conditions and in the manner
2 specified in provisions (2) and (3) of this subsection.

3 [(B) The provisions of subpart (A) do not apply to the board of
4 any district that is continuously and permanently authorized to
5 increase the local option budget of the district.

6 [(9) As used in this subsection:

7 [(A) “Authorized to increase a local option budget” means ei-
8 ther that a district has held a special election under provision (2)(B)
9 by which authority of the board to increase a local option budget
10 was approved, or that a district has adopted a resolution under
11 provision (2) (A), has published the same, and either that the res-
12 olution was not protested or that it was protested and an election
13 was held by which the authority of the board to increase a local
14 option budget was approved.

15 [(B) “State prescribed percentage” means ~~27%~~ for school year
16 ~~2005-2006, 29%~~ 30% for school year 2006-2007 and ~~30%~~ 33% for
17 school year 2007-2008 and each school year thereafter.

18 [(c) To the extent the provisions of the foregoing subsections
19 conflict with this subsection, this subsection shall control. Any dis-
20 trict that is authorized to adopt a local option budget in the 1997-
21 98 school year under a resolution which authorized the adoption
22 of such budget in accordance with the provisions of this section
23 prior to its amendment by this act may continue to operate under
24 such resolution for the period of time specified in the resolution
25 or may abandon the resolution and operate under the provisions
26 of this section as amended by this act. Any such district shall op-
27 erate under the provisions of this section as amended by this act
28 after the period of time specified in the resolution has expired.

29 [(d) (1) There is hereby established in every district that
30 adopts a local option budget a fund which shall be called the sup-
31 plemental general fund. The fund shall consist of all amounts de-
32 posited therein or credited thereto according to law.

33 [(2) Subject to the limitation imposed under provision (3),
34 amounts in the supplemental general fund may be expended for
35 any purpose for which expenditures from the general fund are
36 authorized or may be transferred to the general fund of the district
37 or to any program weighted fund or categorical fund of the district.

38 [(3) Amounts in the supplemental general fund may not be ex-
39 pended nor transferred to the general fund of the district for the
40 purpose of making payments under any lease-purchase agreement
41 involving the acquisition of land or buildings which is entered into
42 pursuant to the provisions of K.S.A. 72-8225, and amendments
43 thereto.

1 **[(4) Any unexpended and unencumbered cash balance remain-**
2 **ing in the supplemental general fund of a district at the conclusion**
3 **of any school year in which a local option budget is adopted shall**
4 **be disposed of as provided in this subsection. If the district did not**
5 **receive supplemental general state aid in the school year and the**
6 **board of the district determines that it will be necessary to adopt**
7 **a local option budget in the ensuing school year, the total amount**
8 **of the cash balance remaining in the supplemental general fund**
9 **shall be maintained in such fund or transferred to the general fund**
10 **of the district. If the board of such a district determines that it will**
11 **not be necessary to adopt a local option budget in the ensuing**
12 **school year, the total amount of the cash balance remaining in the**
13 **supplemental general fund shall be transferred to the general fund**
14 **of the district. If the district received supplemental general state**
15 **aid in the school year, transferred or expended the entire amount**
16 **budgeted in the local option budget for the school year, and de-**
17 **termines that it will be necessary to adopt a local option budget in**
18 **the ensuing school year, the total amount of the cash balance re-**
19 **maining in the supplemental general fund shall be maintained in**
20 **such fund or transferred to the general fund of the district. If such**
21 **a district determines that it will not be necessary to adopt a local**
22 **option budget in the ensuing school year, the total amount of the**
23 **cash balance remaining in the supplemental general fund shall be**
24 **transferred to the general fund of the district. If the district re-**
25 **ceived supplemental general state aid in the school year, did not**
26 **transfer or expend the entire amount budgeted in the local option**
27 **budget for the school year, and determines that it will not be nec-**
28 **essary to adopt a local option budget in the ensuing school year,**
29 **the total amount of the cash balance remaining in the supplement-**
30 **tal general fund shall be transferred to the general fund of the**
31 **district. If the district received supplemental general state aid in**
32 **the school year, did not transfer or expend the entire amount**
33 **budgeted in the local option budget for the school year, and de-**
34 **termines that it will be necessary to adopt a local option budget in**
35 **the ensuing school year, the state board shall determine the ratio**
36 **of the amount of supplemental general state aid received to the**
37 **amount of the local option budget of the district for the school**
38 **year and multiply the total amount of the cash balance remaining**
39 **in the supplemental general fund by such ratio. An amount equal**
40 **to the amount of the product shall be transferred to the general**
41 **fund of the district. The amount remaining in the supplemental**
42 **general fund may be maintained in such fund or transferred to the**
43 **general fund of the district.**

1 ~~[(c) To the extent the provisions of the foregoing section conflict with~~
2 ~~this subsection, this subsection shall control. Any district that adopted or~~
3 ~~was authorized to adopt a local option budget for school year 2004-2005~~
4 ~~in an amount equal to 25% may adopt a local option budget for school~~
5 ~~year 2005-2006 in an amount not to exceed the state prescribed per-~~
6 ~~centage in effect on July 1, 2005, by adoption of a resolution. Such res-~~
7 ~~olution shall not be subject to the provisions of this section relating to~~
8 ~~publication, protest or election.]~~

9 **[Sec. 33. (a) The purpose of this section is to assist public col-**
10 **leges and universities providing remedial classes needed in order**
11 **for students to successfully pursue higher education studies. This**
12 **section shall be applicable to students graduating from Kansas**
13 **public high schools after May 1, 2007. The provisions of this section**
14 **shall be applicable to Kansas high school graduates who have taken**
15 **the precollege curriculum prescribed by the board of regents pur-**
16 **suant to K.S.A. 76-717, and amendments thereto.**

17 **[(b) As used in this section:**

18 **[(1) “Excess costs” means the difference between average cost**
19 **per credit hour for a remedial course and the average cost per**
20 **credit hour for a non-remedial course less the tuition paid per**
21 **credit hour for a remedial class.**

22 **[(2) “Public colleges and universities” means Kansas commu-**
23 **nity colleges, municipal universities, technical colleges and state**
24 **educational institutions as defined by K.S.A. 74-3201b, and amend-**
25 **ments thereto.**

26 **[(3) “Remedial classes” means classes that are designed to**
27 **compensate for deficiencies in the basic skills that a typical student**
28 **acquires as a part of a high school student’s education in the field**
29 **of English, reading and mathematics.**

30 **[(4) “Students” means Kansas public high school graduates**
31 **who have taken the precollege curriculum prescribed by the board**
32 **of regents pursuant to K.S.A. 76-717, and amendments thereto.**

33 **[(c) The state board of education and the state board of regents**
34 **shall jointly designate a competency examination applicable to re-**
35 **medial classes. In order for public colleges and universities to qual-**
36 **ify for payments pursuant to subsection (d), a student taking a re-**
37 **medial class must pass the competency examination applicable to**
38 **the remedial class taken.**

39 **[(d) Commencing in June of 2007, and each June thereafter,**
40 **each public college and university providing remedial classes shall**
41 **certify to the state board of education the following:**

42 **[(1) The number of students and remedial class hours taken by**
43 **students who pass a competency exam designated pursuant to sec-**

1 **tion 3 and amendments thereto;**
2 **[(2) the amount of excess costs applicable to remedial classes**
3 **reported pursuant to subsection (a)(1); and**
4 **[(3) such other information as the state board of education may**
5 **require.**
6 **[(e) The state board of education shall pay public colleges and**
7 **universities the excess cost certified pursuant to subsection (d).**
8 **The amounts shall be deducted from state aid payment to the**
9 **school district the student last attended.]**
10 ~~Sec. 40 [34]. K.S.A. 2005 Supp. [46-1131,] 72-6405, 72-6407, 72-~~
11 ~~6409, 72-6410, 72-6412, ~~72-6413,~~ 72-6414, 72-6414a, 72-6414b, 72-6421,~~
12 ~~72-6426, [72-6433,] 72-6434, 72-6442b, 72-6449, [72-64b01, 72-~~
13 ~~64b02, 72-64b03, 72-64b04, 72-64c01, 72-64c02, 72-64c04,] 72-~~
14 ~~8204c, 72-8814, 72-9509, 75-2320, 79-2926 and 79-2927a are hereby re-~~
15 ~~pealed.~~
16 ~~Sec. 41. This act shall take effect and be in force from and after its~~
17 ~~publication in the statute book.~~
18 ~~[Sec. 35. The provisions of this act relating to changes which~~
19 ~~occur after school year 2006-2007 shall become effective on and~~
20 ~~after its publication in the statute book and on the date of the~~
21 ~~issuance by the Kansas Supreme Court of the mandate and dis-~~
22 ~~missal of Ryan Montoy, et al. v. State of Kansas, et al., case no.~~
23 ~~92,032.]~~
24 **[Section 41. This act shall take effect and be in force from and**
25 **after publication in the Kansas Register.]**