

## HOUSE BILL No. 2539

By Representative Aurand

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9 AN ACT concerning school districts; relating to school finance; amend-  
10 ing K.S.A. 2009 Supp. 72-6434 and 72-64b01 and repealing the existing  
11 sections.  
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13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2009 Supp. 72-6434 is hereby amended to read as  
15 follows: 72-6434. (a) In each school year, each district that has adopted a  
16 local option budget is eligible for entitlement to an amount of supple-  
17 mental general state aid. Except as provided by K.S.A. 2009 Supp. 72-  
18 6434b, and amendments thereto, entitlement of a district to supplemental  
19 general state aid shall be determined by the state board as provided in  
20 this subsection. The state board shall:

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

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

25 (3) identify the amount of the assessed valuation per pupil located at  
26 the 81.2 percentile of the amounts ranked under (2);

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

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

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

41 (c) The state board shall prescribe the dates upon which the distri-  
42 bution of payments of supplemental general state aid to school districts  
43 shall be due. Payments of supplemental general state aid shall be distrib-

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

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

17 (e) (1) Except as provided by paragraph (2), moneys received as sup-  
18 plemental general state aid shall be used *solely* to meet the requirements  
19 under the school performance accreditation system adopted by the state  
20 board, to provide programs and services required by law and to improve  
21 student performance.

22 (2) Amounts of supplemental general state aid attributable to any  
23 percentage over 25% of state financial aid determined for the current  
24 school year may be transferred to the capital improvements fund of the  
25 district and the capital outlay fund of the district if such transfers are  
26 specified in the resolution authorizing the adoption of a local option  
27 budget in excess of 25%.

28 (f) For the purposes of determining the total amount of state moneys  
29 paid to school districts, all moneys appropriated as supplemental general  
30 state aid shall be deemed to be state moneys for educational and support  
31 services for school districts.

32 Sec. 2. K.S.A. 2009 Supp. 72-64b01 is hereby amended to read as  
33 follows: 72-64b01. (a) No school district shall expend, use or transfer any  
34 moneys from the general fund of the district for the purpose of engaging  
35 in or supporting in any manner any litigation by the school district or any  
36 person, association, corporation or other entity against the state of Kansas,  
37 the state board of education, the state department of education, other  
38 state agency or any state officer or employee regarding the school district  
39 finance and quality performance act or any other law concerning school  
40 finance. No such moneys shall be paid, donated or otherwise provided to  
41 any person, association, corporation or other entity and used for the pur-  
42 pose of any such litigation.

43 (b) (1) Nothing in K.S.A. 72-6433 or this section, and amendments

1 thereto, shall be construed as prohibiting the expenditure, use or transfer  
2 of moneys from the supplemental general fund for the purposes specified  
3 in subsection (a).

4 (2) *From and after July 1, 2011, any school district which expends,*  
5 *uses or transfers any moneys from the supplemental general fund of the*  
6 *district for the purposes specified in subsection (a) or which pays, donates*  
7 *or otherwise provides any moneys from the supplemental general fund to*  
8 *any person, association, corporation or other entity to be used for the*  
9 *purposes specified in subsection (a) shall not be entitled to any supple-*  
10 *mental general state aid in the school year following the expenditure, use,*  
11 *transfer, payment, donation or other provision of such moneys.*

12 Sec. 3. K.S.A. 2009 Supp. 72-6434 and 72-64b01 are hereby  
13 repealed.

14 Sec. 4. This act shall take effect and be in force from and after its  
15 publication in the statute book.