

HOUSE BILL No. 2742

By Committee on Appropriations

3-16

9 AN ACT concerning school districts; relating to school finance; amend-
10 ing K.S.A. 72-6444 and K.S.A. 2009 Supp. 72-6433 and repealing the
11 existing sections.
12

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

14 Section 1. K.S.A. 2009 Supp. 72-6433 is hereby amended to read as
15 follows: 72-6433. (a) As used in this section:

16 (1) "State prescribed percentage" means 31% of state financial aid of
17 the district in the current school year; *or the amount of the district pre-*
18 *scribed percentage as determined under subsection (c) of K.S.A. 72-6444,*
19 *and amendments thereto, whichever is higher.*

20 (2) "Authorized to adopt a local option budget" means that a district
21 has adopted a resolution under this section, has published the same, and
22 either the resolution was not protested or it was protested and an election
23 was held by which the adoption of a local option budget was approved.

24 (b) In each school year, the board of any district may adopt a local
25 option budget which does not exceed the state prescribed percentage.

26 (c) Subject to the limitation of subsection (b), in each school year,
27 the board of any district may adopt, by resolution, a local option budget
28 in an amount not to exceed:

29 (1) (A) The amount which the board was authorized to adopt in ac-
30 cordance with the provisions of this section in effect prior to its amend-
31 ment by this act; plus

32 (B) the amount which the board was authorized to adopt pursuant to
33 any resolution currently in effect; plus

34 (C) the amount which the board was authorized to adopt pursuant to
35 K.S.A. 72-6444, and amendments thereto, if applicable to the district; or

36 (2) the state-wide average for the preceding school year as deter-
37 mined by the state board pursuant to subsection (j).

38 Except as provided by subsection (e), the adoption of a resolution pur-
39 suant to this subsection shall require a majority vote of the members of
40 the board. Such resolution shall be effective upon adoption and shall
41 require no other procedure, authorization or approval.

42 (d) If the board of a district desires to increase its local option budget
43 authority above the amount authorized under subsection (c) or if the

1 board was not authorized to adopt a local option budget in 2006-2007,
2 the board may adopt, by resolution, such budget in an amount not to
3 exceed the state prescribed percentage. The adoption of a resolution pur-
4 suant to this subsection shall require a majority vote of the members of
5 the board. The resolution shall be published at least once in a newspaper
6 having general circulation in the district. The resolution shall be published
7 in substantial compliance 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 to adopt
13 a local option budget in each school year in an amount not to exceed _____% of the amount
14 of state financial aid. The local option budget authorized by this resolution may be adopted,
15 unless a petition in opposition to the same, signed by not less than 5% of the qualified
16 electors of the school district, is filed with the county election officer of the home county
17 of the school district within 30 days after publication of this resolution. If a petition is filed,
18 the county election officer shall submit the question of whether adoption of the local option
19 budget shall be authorized to the electors of the school district at an election called for the
20 purpose or at the next general election, as is specified by the board of education of the
21 school district.

22 CERTIFICATE

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

26 _____
27 Clerk of the board of education.

28 All of the blanks in the resolution shall be filled as is appropriate. If a
29 sufficient petition is not filed, the board may adopt a local option budget.
30 If a sufficient petition is filed, the board may notify the county election
31 officer of the date of an election to be held to submit the question of
32 whether adoption of a local option budget shall be authorized. Any such
33 election shall be noticed, called and held in the manner provided by
34 K.S.A. 10-120, and amendments thereto. If the board fails to notify the
35 county election officer within 30 days after a sufficient petition is filed,
36 the resolution shall be deemed abandoned and no like resolution shall be
37 adopted by the board within the nine months following publication of the
38 resolution.

39 (e) Any resolution authorizing the adoption of a local option budget
40 in excess of 30% of the state financial aid of the district in the current
41 school year shall not become effective unless such resolution has been
42 submitted to and approved by a majority of the qualified electors of the
43 school district voting at an election called and held thereon. The election

1 shall be called and held in the manner provided by K.S.A. 10-120, and
2 amendments thereto.

3 (f) Unless specifically stated otherwise in the resolution, the authority
4 to adopt a local option budget shall be continuous and permanent. The
5 board of any district which is authorized to adopt a local option budget
6 may choose not to adopt such a budget or may adopt a budget in an
7 amount less than the amount authorized. If the board of any district
8 whose authority to adopt a local option budget is not continuous and
9 permanent refrains from adopting a local option budget, the authority of
10 such district to adopt a local option budget shall not be extended by such
11 refrainment beyond the period specified in the resolution authorizing
12 adoption of such budget.

13 (g) The board of any district may initiate procedures to renew or
14 increase the authority to adopt a local option budget at any time during
15 a school year after the tax levied pursuant to K.S.A. 72-6435, and amend-
16 ments thereto, is certified to the county clerk under any existing author-
17 ization.

18 (h) The board of any district that is authorized to adopt a local option
19 budget prior to the effective date of this act under a resolution which
20 authorized the adoption of such budget in accordance with the provisions
21 of this section in effect prior to its amendment by this act may continue
22 to operate under such resolution for the period of time specified in the
23 resolution or may abandon the resolution and operate under the provi-
24 sions of this section as amended by this act. Any such district shall operate
25 under the provisions of this section as amended by this act after the period
26 of time specified in the resolution has expired.

27 (i) Any resolution adopted pursuant to this section may revoke or
28 repeal any resolution previously adopted by the board. If the resolution
29 does not revoke or repeal previously adopted resolutions, all resolutions
30 which are in effect shall expire on the same date. The maximum amount
31 of the local option budget of a school district under all resolutions in effect
32 shall not exceed the state prescribed percentage in any school year.

33 (j) (1) There is hereby established in every district that adopts a local
34 option budget a fund which shall be called the supplemental general fund.
35 The fund shall consist of all amounts deposited therein or credited thereto
36 according to law.

37 (2) Subject to the limitation imposed under paragraph (3) and sub-
38 section (e) of K.S.A. 72-6434, and amendments thereto, amounts in the
39 supplemental general fund may be expended for any purpose for which
40 expenditures from the general fund are authorized or may be transferred
41 to any program weighted fund or categorical fund of the district. Amounts
42 in the supplemental general fund attributable to any percentage over 25%
43 of state financial aid determined for the current school year may be trans-

- 1 referred to the capital improvements fund of the district and the capital
2 outlay fund of the district if such transfers are specified in the resolution
3 authorizing the adoption of a local option budget in excess of 25%.
- 4 (3) Amounts in the supplemental general fund may not be expended
5 for the purpose of making payments under any lease-purchase agreement
6 involving the acquisition of land or buildings which is entered into pur-
7 suant to the provisions of K.S.A. 72-8225, and amendments thereto.
- 8 (4) (A) Except as provided in paragraph (B), any unexpended budget
9 remaining in the supplemental general fund of a district at the conclusion
10 of any school year in which a local option budget is adopted shall be
11 maintained in such fund.
- 12 (B) If the district received supplemental general state aid in the
13 school year, the state board shall determine the ratio of the amount of
14 supplemental general state aid received to the amount of the local option
15 budget of the district for the school year and multiply the total amount
16 of the unexpended budget remaining by such ratio. An amount equal to
17 the amount of the product shall be transferred to the general fund of the
18 district or remitted to the state treasurer. Upon receipt of any such re-
19 mittance, the state treasurer shall deposit the same in the state treasury
20 to the credit of the state school district finance fund.
- 21 (k) Each year the state board of education shall determine the state-
22 wide average percentage of local option budgets legally adopted by school
23 districts for the preceding school year.
- 24 (l) The provisions of this section shall be subject to the provisions of
25 K.S.A. 2009 Supp. 72-6433d, and amendments thereto.
- 26 Sec. 2. K.S.A. 72-6444 is hereby amended to read as follows: 72-
27 6444. (a) In each school year, ~~commencing with the 1997-98 school year,~~
28 the state board shall compute a district prescribed percentage for the
29 purpose of determining the amount of a local option budget the board of
30 a district to which the provisions of this section apply may adopt for the
31 school year. The district prescribed percentage for each district to which
32 the provisions of this section apply shall be computed by the state board
33 as provided in this section. The state board shall:
- 34 (1) Determine the actual amount per pupil for the preceding school
35 year of the general fund budget and the local option budget, if any, of
36 each district;
- 37 (2) compute the average amount per pupil for the preceding school
38 year of general fund budgets and local option budgets of districts with
39 75-125 enrollment in such school year;
- 40 (3) compute the average amount per pupil for the preceding school
41 year of general fund budgets and local option budgets of districts with
42 200-399 enrollment in such school year;
- 43 (4) compute the average amount per pupil for the preceding school

- 1 year of general fund budgets and local option budgets of districts with
2 1,800 or over enrollment in such school year;
- 3 (5) compute an average amount per pupil for the preceding school
4 year of general fund budgets and local option budgets of districts with
5 100-299.9 enrollment in such school year by preparing a schedule based
6 upon an accepted mathematical formula and deriving an amount for each
7 such district from a linear transition between the average amount per
8 pupil computed under (2) and the average amount per pupil computed
9 under (3);
- 10 (6) compute an average amount per pupil for the preceding school
11 year of general fund budgets and local option budgets of districts with
12 300-1,799.9 enrollment in such school year by preparing a schedule based
13 upon an accepted mathematical formula and deriving an amount for each
14 such district from a linear transition between the average amount per
15 pupil computed under (3) and the average amount per pupil computed
16 under (4);
- 17 (7) for districts with 0-99.9 enrollment, compare the amount deter-
18 mined for the district under (1) to the average amount computed under
19 (2). If the amount determined under (1) is equal to or greater than the
20 average amount computed under (2), the provisions of this section do not
21 apply to the district. If the amount determined under (1) is less than the
22 average amount computed under (2), subtract the amount determined
23 under (1) from the amount computed under (2), multiply the remainder
24 by enrollment of the district in the preceding school year, and divide the
25 product by the amount of state financial aid determined for the district
26 in the preceding school year. The quotient is the district prescribed per-
27 centage of the district;
- 28 (8) for districts with 100-299.9 enrollment, compare the amount de-
29 termined for the district under (1) to the average amount computed under
30 (5). If the amount determined under (1) is equal to or greater than the
31 average amount computed under (5), the provisions of this section do not
32 apply to the district. If the amount determined under (1) is less than the
33 average amount computed under (5), subtract the amount determined
34 under (1) from the amount computed under (5), multiply the remainder
35 by enrollment of the district in the preceding school year, and divide the
36 product by the amount of state financial aid determined for the district
37 in the preceding school year. The quotient is the district prescribed per-
38 centage of the district;
- 39 (9) for districts with 300-1,799.9 enrollment, compare the amount
40 determined for the district under (1) to the average amount computed
41 under (6). If the amount determined under (1) is equal to or greater than
42 the average amount computed under (6), the provisions of this section
43 do not apply to the district. If the amount determined under (1) is less

1 than the average amount computed under (6), subtract the amount de-
2 termined under (1) from the amount computed under (6), multiply the
3 remainder by enrollment of the district in the preceding school year, and
4 divide the product by the amount of state financial aid determined for
5 the district in the preceding school year. The quotient is the district pre-
6 scribed percentage of the district;

7 (10) for districts with 1,800 or over enrollment, compare the amount
8 determined for the district under (1) to the average amount computed
9 under (4). If the amount determined under (1) is equal to or greater than
10 the average amount computed under (4), the provisions of this section
11 do not apply to the district. If the amount determined under (1) is less
12 than the average amount computed under (4), subtract the amount de-
13 termined under (1) from the amount computed under (4), multiply the
14 remainder by enrollment of the district in the preceding school year, and
15 divide the product by the amount of state financial aid determined for
16 the district in the preceding school year. The quotient is the district pre-
17 scribed percentage of the district.

18 (b) The provisions of ~~this section~~ *subsection (a)* apply to any district
19 that budgeted an amount per pupil in the preceding school year, as de-
20 termined under provision (1) of subsection (a), that was less than the
21 average amount per pupil of general fund budgets and local option bud-
22 gets computed by the state board under whichever of the provisions (7)
23 through (10) of subsection (a) is applicable to the district's enrollment
24 group.

25 (c) *The district prescribed percentage of any district with an actual*
26 *amount per pupil for the preceding school year of the combined general*
27 *fund budget and local option fund budget which is below the average*
28 *actual amount per pupil for the preceding school year of the combined*
29 *general fund budgets and local option budgets of all school districts shall*
30 *be computed by the state board as follows:*

31 (1) *Determine the average actual amount per pupil for the preceding*
32 *school year of the combined general fund budgets and local option budgets*
33 *of all school districts;*

34 (2) *multiply the amount obtained under (1) by the enrollment of the*
35 *district;*

36 (3) *subtract the amount of the general fund budget of the district for*
37 *the preceding school year from the amount determined under (2); and*

38 (4) *divide the difference obtained under (3) by the general fund*
39 *budget of the district for the preceding school year. The quotient is the*
40 *district prescribed percentage of the school district.*

41 Sec. 3. K.S.A. 72-6444 and K.S.A. 2009 Supp. 72-6433 are hereby
42 repealed.

43

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