

## SENATE BILL No. 354

By Committee on Ways and Means

1-12

---

9 AN ACT concerning school districts; relating to school finance; amend-  
10 ing K.S.A. 2009 Supp. 72-6441, 72-6449 and 72-6451 and repealing  
11 the existing sections.  
12

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

14 Section 1. K.S.A. 2009 Supp. 72-6441 is hereby amended to read as  
15 follows: 72-6441. (a) (1) The board of any district to which the provisions  
16 of this subsection apply may levy an ad valorem tax on the taxable tangible  
17 property of the district each year for a period of time not to exceed two  
18 years in an amount not to exceed the amount authorized by the state  
19 court of tax appeals under this subsection for the purpose of financing  
20 the costs incurred by the state that are directly attributable to assignment  
21 of ancillary school facilities weighting to enrollment of the district. The  
22 state court of tax appeals may authorize the district to make a levy which  
23 will produce an amount that is not greater than the difference between  
24 the amount of costs directly attributable to commencing operation of one  
25 or more new school facilities and the amount that is financed from any  
26 other source provided by law for such purpose, including any amount  
27 attributable to assignment of school facilities weighting to enrollment of  
28 the district for each school year in which the district is eligible for such  
29 weighting. If the district is not eligible, or will be ineligible, for school  
30 facilities weighting in any one or more years during the two-year period  
31 for which the district is authorized to levy a tax under this subsection, the  
32 state court of tax appeals may authorize the district to make a levy, in  
33 such year or years of ineligibility, which will produce an amount that is  
34 not greater than the actual amount of costs attributable to commencing  
35 operation of the facility or facilities.

36 (2) The state court of tax appeals shall certify to the state board of  
37 education the amount authorized to be produced by the levy of a tax  
38 under subsection (a).

39 (3) The state court of tax appeals may adopt rules and regulations  
40 necessary to effectuate the provisions of this subsection, including rules  
41 and regulations relating to the evidence required in support of a district's  
42 claim that the costs attributable to commencing operation of one or more  
43 new school facilities are in excess of the amount that is financed from any

1 other source provided by law for such purpose.

2 (4) The provisions of this subsection apply to any district that (A)  
3 commenced operation of one or more new school facilities in the school  
4 year preceding the current school year or has commenced or will com-  
5 mence operation of one or more new school facilities in the current school  
6 year or any or all of the foregoing; (B) is authorized to adopt and has  
7 adopted a local option budget which is at least equal to that amount  
8 required to qualify for school facilities weighting under K.S.A. 2009 Supp.  
9 72-6415b, and amendments thereto; and (C) is experiencing extraordinary  
10 enrollment growth as determined by the state board of education.

11 (b) The board of any district that has levied an ad valorem tax on the  
12 taxable tangible property of the district each year for a period of two years  
13 under authority of subsection (a) may continue to levy such tax under  
14 authority of this subsection each year for an additional period of time not  
15 to exceed three years in an amount not to exceed the amount computed  
16 by the state board of education as provided in this subsection if the board  
17 of the district determines that the costs attributable to commencing op-  
18 eration of one or more new school facilities are significantly greater than  
19 the costs attributable to the operation of other school facilities in the  
20 district. The tax authorized under this subsection may be levied at a rate  
21 which will produce an amount that is not greater than the amount com-  
22 puted by the state board of education as provided in this subsection. In  
23 computing such amount, the state board shall (1) determine the amount  
24 produced by the tax levied by the district under authority of subsection  
25 (a) in the second year for which such tax was levied and add to such  
26 amount the amount of general state aid directly attributable to school  
27 facilities weighting that was received by the district in the same year, and  
28 (2) compute 75% of the amount of the sum obtained under (1), which  
29 computed amount is the amount the district may levy in the first year of  
30 the three-year period for which the district may levy a tax under authority  
31 of this subsection, and (3) compute 50% of the amount of the sum ob-  
32 tained under (1), which computed amount is the amount the district may  
33 levy in the second year of the three-year period for which the district may  
34 levy a tax under authority of this subsection, and (4) compute 25% of the  
35 amount of the sum obtained under (1), which computed amount is the  
36 amount the district may levy in the third year of the three-year period for  
37 which the district may levy a tax under authority of this subsection.

38 (c) The proceeds from the tax levied by a district under authority of  
39 this section shall be remitted to the state treasurer in accordance with  
40 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt  
41 of each such remittance, the state treasurer shall deposit the entire  
42 amount in the state treasury to the credit of the state school district fi-  
43 nance fund.

1 (d) As used in this section, “taxable tangible property” means real  
2 property, personal property, state-assessed property and motor vehicles.

3 Sec. 2. K.S.A. 2009 Supp. 72-6449 is hereby amended to read as  
4 follows: 72-6449. (a) As used in this section, ~~“school district” or “district”~~  
5 ~~means a school district authorized to make a levy under this section.~~

6 (1) “School district” or “district” means a school district authorized  
7 to make a levy under this section.

8 (2) “Taxable tangible property” means real property, personal prop-  
9 erty, state-assessed property and motor vehicles.

10 (b) The board of education of any district may levy ~~a~~ *an ad valorem*  
11 tax on the taxable tangible property within the district for the purpose of  
12 financing the costs incurred by the state that are attributable directly to  
13 assignment of the cost of living weighting to the enrollment of the district.  
14 There is hereby established in every school district a fund which shall be  
15 called the cost of living fund, which fund shall consist of all moneys de-  
16 posited therein or transferred thereto in accordance with law. All moneys  
17 derived from a tax imposed pursuant to this section shall be credited to  
18 the cost of living fund. The proceeds from the tax levied by a district  
19 credited to the cost of living fund shall be remitted to the state treasurer  
20 in accordance with the provisions of K.S.A. 75-4215, and amendments  
21 thereto. Upon receipt of each such remittance, the state treasurer shall  
22 deposit the entire amount in the state treasury to the credit of the state  
23 school district finance fund.

24 (c) The state board of education shall determine whether a district  
25 may levy a tax under this section as follows:

26 (1) Determine the statewide average appraised value of single family  
27 residences for the calendar year preceding the current school year;

28 (2) multiply the amount determined under (1) by 1.25;

29 (3) determine the average appraised value of single family residences  
30 in each school district for the calendar year preceding the current school  
31 year; and

32 (4) (A) subtract the amount determined under (2) from the amount  
33 determined under (3). If the amount determined for the district under  
34 this paragraph is a positive number and the district is authorized to adopt  
35 and has adopted a local option budget in an amount equal to at least 31%  
36 of the state financial aid for the school district, the district qualifies for  
37 assignment of cost of living weighting and may levy a tax on the taxable  
38 tangible property of the district for the purpose of financing the costs  
39 that are attributable directly to assignment of the cost of living weighting  
40 to enrollment of the district; or

41 (B) As an alternative to the authority provided in paragraph (4)(A), if  
42 a district was authorized to make a levy pursuant to this section in school  
43 year 2006-2007, such district shall remain authorized to levy such tax at

1 a rate necessary to generate revenue in the same amount generated in  
2 school year 2006-2007 if: (i) The amount determined under paragraph  
3 (4)(A) is a positive number; and (ii) the district continues to adopt a local  
4 option budget in an amount equal to the state prescribed percentage in  
5 effect in school year 2006-2007.

6 (d) No tax may be levied under this section unless the board of ed-  
7 ucation adopts a resolution authorizing such a tax levy and publishes the  
8 resolution at least once in a newspaper having general circulation in the  
9 district. Except as provided by subsection (e), the resolution shall be pub-  
10 lished in substantial compliance with the following form:

11 Unified School District No. \_\_\_\_\_,  
12 \_\_\_\_\_ County, Kansas.

13 RESOLUTION

14 Be It Resolved that:

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

26 CERTIFICATE

27 This is to certify that the above resolution was duly adopted by the board of education of  
28 Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas, on the \_\_\_\_\_ day  
29 of \_\_\_\_\_, (year)\_\_\_\_\_.

30 \_\_\_\_\_  
31 Clerk of the board of education.

32 All of the blanks in the resolution shall be filled. If no petition as spec-  
33 ified above is filed in accordance with the provisions of the resolution,  
34 the resolution authorizing the ad valorem tax levy shall become effective.  
35 If a petition is filed as provided in the resolution, the board may notify  
36 the county election officer to submit the question of whether such tax  
37 levy shall be authorized. If the board fails to notify the county election  
38 officer within 30 days after a petition is filed, the resolution shall be  
39 deemed abandoned and of no force and effect and no like resolution shall  
40 be adopted by the board within the nine months following publication of  
41 the resolution. If a majority of the votes cast in an election conducted  
42 pursuant to this provision are in favor of the resolution, such resolution  
43 shall be effective on the date of such election. If a majority of the votes

1 cast are not in favor of the resolution, the resolution shall be deemed of  
2 no effect and no like resolution shall be adopted by the board within the  
3 nine months following such election.

4 Sec. 3. K.S.A. 2009 Supp. 72-6451 is hereby amended to read as  
5 follows: 72-6451. (a) As used in this section:

6 (1) "School district" or "district" means a school district which: (A)  
7 Has a declining enrollment; and (B) has adopted a local option budget in  
8 an amount which equals at least 31% of the state financial aid for the  
9 school district at the time the district applies to the state court of tax  
10 appeals for authority to make a levy pursuant to this section.

11 (2) "Declining enrollment" means an enrollment which has declined  
12 in amount from that of the preceding school year.

13 (3) "*Taxable tangible property*" means *real property, personal prop-*  
14 *erty, state-assessed property and motor vehicles.*

15 (b) (1) (A) A school district may levy an ad valorem tax on the taxable  
16 tangible property of the district each year for a period of time not to  
17 exceed two years in an amount not to exceed the amount authorized by  
18 the state court of tax appeals under this subsection for the purpose of  
19 financing the costs incurred by the state that are directly attributable to  
20 assignment of declining enrollment weighting to enrollment of the dis-  
21 trict. The state court of tax appeals may authorize the district to make a  
22 levy which will produce an amount that is not greater than the amount  
23 of revenues lost as a result of the declining enrollment of the district.  
24 Such amount shall not exceed 5% of the general fund budget of the  
25 district in the school year in which the district applies to the state court  
26 of tax appeals for authority to make a levy pursuant to this section.

27 (B) As an alternative to the authority provided in paragraph (1)(A), if  
28 a district was authorized to make a levy pursuant to this section in school  
29 year 2006-2007, such district shall remain authorized to make a levy at a  
30 rate necessary to generate revenue in the same amount that was gener-  
31 ated in school year 2007-2008 if the district adopts a local option budget  
32 in an amount equal to the state prescribed percentage in effect in school  
33 year 2006-2007.

34 (2) The state court of tax appeals shall certify to the state board the  
35 amount authorized to be produced by the levy of a tax under this section.

36 (3) The state board shall prescribe guidelines for the data that school  
37 districts shall include in cases before the state court of tax appeals pur-  
38 suant to this section.

39 (c) A district may levy the tax authorized pursuant to this section for  
40 a period of time not to exceed two years unless authority to make such  
41 levy is renewed by the state court of tax appeals. The state court of tax  
42 appeals may renew the authority to make such levy for periods of time  
43 not to exceed two years.

1 (d) The state board shall provide to the state court of tax appeals such  
2 school data and information requested by the state court of tax appeals  
3 and any other information deemed necessary by the state board.

4 (e) There is hereby established in every district a fund which shall be  
5 called the declining enrollment fund. Such fund shall consist of all moneys  
6 deposited therein or transferred thereto according to law. The proceeds  
7 from the tax levied by a district under authority of this section shall be  
8 credited to the declining enrollment fund of the district. The proceeds  
9 from the tax levied by a district credited to the declining enrollment fund  
10 shall be remitted to the state treasurer in accordance with the provisions  
11 of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
12 remittance, the state treasurer shall deposit the entire amount in the state  
13 treasury to the credit of the state school district finance fund.

14 Sec. 4. K.S.A. 2009 Supp. 72-6441, 72-6449 and 72-6451 are hereby  
15 repealed.

16 Sec. 5. This act shall take effect and be in force from and after its  
17 publication in the statute book.