

SENATE BILL No. 359

AN ACT concerning school districts; relating to special education; amending K.S.A. 72-983 and K.S.A. 2009 Supp. 72-978 and 72-998 and repealing the existing sections.

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

Section 1. K.S.A. 72-983 is hereby amended to read as follows: 72-983. ~~(a) In each school year, to the extent that appropriations are available, each school district which has provided special education or related services for an exceptional child whose IEP provides for services which cost in excess of \$25,000 for the school year is eligible to receive a grant of state moneys in an amount equal to 75% of that portion of the costs, incurred by the district in the provision of special education or related services for the child, that is in excess of \$25,000.~~

*(a) In school year 2010-2011 and in each school year thereafter, to the extent that appropriations are available, each school district which has provided special education or related services for an exceptional child is eligible to receive catastrophic state aid in an amount determined by the state board. The state board shall:*

*(1) Determine the cost of providing special education and related services to an exceptional child in the school district for which an application for catastrophic state aid has been submitted;*

*(2) determine the amount of state aid the district received under K.S.A. 72-978, and amendments thereto, in the current school year for such exceptional child;*

*(3) subtract the amount determined under (2) from the amount determined under (1);*

*(4) determine the amount of state aid paid per special teacher under K.S.A. 72-978, and amendments thereto, in the preceding school year;*

*(5) multiply the amount determined under (4) by 2;*

*(6) subtract the product obtained under (5) from the difference obtained under (3);*

*(7) multiply the difference obtained under (6) by .75. The product is the amount of catastrophic state aid the district is eligible to receive for such exceptional child.*

~~(b) In order to be eligible for a grant of state moneys provided for by subsection (a) catastrophic state aid, a school district shall submit to the state board of education an application for a grant such aid, a description of the special education or related services provided, and the name or names of the child or children for whom provided and the amount expended to provide such special education or related services. School districts shall not be eligible for catastrophic state aid for amounts expended but which are reimbursed or otherwise financed with state aid received under K.S.A. 72-978 or K.S.A. 2009 Supp. 72-998, and amendments thereto, or aid received under federal law. The application and description shall be prepared in such form and manner as the state board shall require and shall be submitted at a time to be determined and specified by the state board. Approval by the state board of applications for grants of state moneys catastrophic state aid is prerequisite to the award of grants such aid.~~

~~(c) Each school district which is awarded a grant under this section catastrophic state aid shall make such periodic and special reports of statistical and financial information to the state board as it may request.~~

~~(d) All moneys received by a school district under authority of this section shall be deposited in the general fund of the school district and transferred to its special education fund.~~

~~(e) The state board of education shall:~~

~~(1) Prescribe and adopt criteria for identification and determination of excessive costs attributable to the provision of special education and related services for which an application for a grant of state moneys catastrophic state aid may be made under this section;~~

~~(2) approve applications of school districts for grants catastrophic state aid;~~

~~(3) determine the amount of grants catastrophic state aid and be responsible for payment of such grants aid to school districts; and~~

~~(4) prescribe all forms necessary for reporting under this section.~~

~~(f) If the amount of appropriations for the payment of grants under this section catastrophic state aid is insufficient to pay in full the amount each school district is determined to be eligible to receive for the school year, the state board shall prorate the amount appropriated among all school districts which are eligible to receive grants of state moneys such~~

*state aid* in proportion to the amount each school district is determined to be eligible to receive.

(g) *The state board shall determine the amount of moneys each school district is eligible to receive under this section prior to determining the amount of moneys each school district is eligible to receive under K.S.A. 72-978, and amendments thereto.*

(h) *In school year 2009-2010 and to the extent that appropriations are available, each school district which has provided special education or related services for an exceptional child whose IEP provides for services which cost in excess of \$36,000 for such school year is eligible to receive catastrophic state aid in an amount equal to 75% of that portion of the costs, incurred by the district in the provision of special education or related services for the child, that is in excess of \$36,000. School districts shall not be eligible for catastrophic state aid for amounts expended but which are reimbursed or otherwise financed with state aid received under K.S.A. 72-978 or K.S.A. 2009 Supp. 72-998, and amendments thereto, or aid received under federal law.*

Sec. 2. K.S.A. 2009 Supp. 72-978 is hereby amended to read as follows: 72-978. (a) Each year, the state board of education shall determine the amount of state aid for the provision of special education and related services each school district shall receive for the ensuing school year. The amount of such state aid shall be computed by the state board as provided in this section. The state board shall:

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

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

(3) divide the remainder obtained in paragraph (2) by the total number of full-time equivalent pupils enrolled in all school districts on September 20;

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

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

(6) determine the amount of federal funds received by all school districts for the provision of special education and related services;

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

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

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

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

(11) multiply the remainder obtained under paragraph (10) by 92%.

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

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

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

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

(3) reimbursement in an amount equal to 80% of the actual expenses

incurred for the maintenance of an exceptional child at some place other than the residence of such child for the purpose of providing special education or related services; such reimbursement shall not exceed \$600 per exceptional child per school year; and

(4) *subject to the provisions of subsection (f) and* except for those school districts entitled to receive reimbursement under subsection (c) or (d), after subtracting the amounts of reimbursement under paragraphs (1), (2) and (3) of this subsection ~~(a)~~ (b) from the total amount appropriated for special education and related services under this act, an amount which bears the same proportion to the remaining amount appropriated as the number of full-time equivalent special teachers who are qualified to provide special education or related services to exceptional children and are employed by the school district for approved special education or related services bears to the total number of such qualified full-time equivalent special teachers employed by all school districts for approved special education or related services.

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

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

(d) Each contracting school district which has paid amounts for the provision of special education and related services as a member of a cooperative shall be entitled to receive reimbursement under subsection (b)(4). The amount of such reimbursement for the district shall be the amount which bears the same relation to the aggregate amount available for reimbursement for the provision of special education and related services by the cooperative, as the amount paid by such district in the current school year for provision of such special education and related services bears to the aggregate of all amounts paid by all contracting school districts in the current school year by such cooperative for provision of such special education and related services.

(e) No time spent by a special teacher in connection with duties performed under a contract entered into by the Kansas juvenile correctional complex, the Atchison juvenile correctional facility, the Beloit juvenile correctional facility, the Larned juvenile correctional facility, or the Topeka juvenile correctional facility and a school district for the provision of special education services by such state institution shall be counted in making computations under this section.

(f) (1) *In school year 2011-2012 and in each school year thereafter, the state board of education shall determine the minimum and maximum amount of state aid that a school district may receive under paragraph (4) of subsection (b) for the current school year as follows:*

(A) *Determine the total amount of moneys appropriated as state aid for the provision of special education and related services to all school districts for the current school year;*

(B) *subtract the amount of moneys paid to all school districts under paragraphs (1), (2) and (3) of subsection (b) of this section, 72-983 and K.S.A. 2009 Supp. 72-998, and amendments thereto, for the current school year;*

(C) *divide the remainder obtained under (B) by the total full-time equivalent enrollment of all school districts in the current school year;*

(2) (A) *multiply the quotient obtained under (1) (C) by the full-time equivalent enrollment of the school district in the current school year;*

(B) *multiply the product obtained under (2) (A) by .75. The product is the minimum amount of state aid the district may receive under paragraph (4) of subsection (b) for the current school year;*

(C) *multiply the quotient obtained under (2) (A) by 1.50. The product*

*is the maximum amount of state aid the district may receive under paragraph (4) of subsection (b) for the current school year.*

*(3) If the amount determined under paragraph (4) of subsection (b) is less than the product obtained under (2)(B), the district shall receive state aid in an amount equal to the product obtained under (2)(B), plus any amount determined under paragraph (5) of this subsection.*

*(4) If the amount determined under paragraph (4) of subsection (b), plus any amount determined under paragraph (5) of this subsection, is greater than the product obtained under (2)(C), the district shall receive state aid in an amount equal to the product obtained under (2)(C). The balance of state aid remaining after determining the amount of state aid payable to districts under this paragraph shall be reallocated to districts as provided by paragraph (5) of this subsection.*

*(5) The balance of state aid remaining after determining the amount of state aid payable to districts under paragraph (4) of this subsection shall be reallocated to districts which have not received state aid in an amount equal to the product obtained under (2)(B). Such state aid shall be reallocated to such districts in the same manner as the original allocation. If the balance is insufficient to pay each such district the minimum amount specified in this subsection, the state board shall prorate the balance among such districts.*

*(6) The provisions of this subsection (f) shall expire on June 30, 2013.*

Sec. 3. K.S.A. 2009 Supp. 72-998 is hereby amended to read as follows: 72-998. (a) As used in this section:

(1) “Medicaid children” means exceptional children who receive special education and related services and for which the district receives medicaid payments.

(2) Words and phrases used in this section, have the meanings ascribed thereto in K.S.A. 72-962, and amendments thereto.

(b) ~~The provisions of this section shall be applicable for school years 2007-2008, 2008-2009 and 2009-2010.~~ The state board shall designate a portion of the amount of moneys appropriated as special education services state aid as medicaid replacement state aid. The amount designated by the state board shall not exceed \$9,000,000 in any school year.

(c) Subject to the limitations of this section and appropriations therefor, each school district shall be entitled to medicaid replacement state aid. The amount of such state aid shall be computed by the state board as provided in this section. The state board shall:

(1) Determine the total number of medicaid children in all school districts on March 1 of each school year;

(2) divide the amount of moneys designated as medicaid replacement state aid by the amount determined under paragraph (1); and

(3) multiply the quotient determined under paragraph (2) by the number of medicaid children in each school district on March 1 of each school year. The product is the amount of medicaid replacement state aid the district is entitled to receive.

(d) All amounts received by a school district under this section shall be deposited in the general fund of the district and shall be transferred to the special education fund of the district.

(e) The board of education of any district desiring to receive state aid pursuant to this section shall submit any documentation or information to the state board as it may request. The state board may establish deadlines for the submission of such documentation and information.

(f) The state board shall make the distribution of moneys under this section prior to determining the amount of state aid to be distributed under K.S.A. 72-978, and amendments thereto.

(g) The state board shall prescribe all forms necessary for reporting under this section.

Sec. 4. K.S.A. 72-983 and K.S.A. 2009 Supp. 72-978 and 72-998 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the SENATE, and passed that body

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SENATE adopted  
Conference Committee Report \_\_\_\_\_

\_\_\_\_\_  
*President of the Senate.*

\_\_\_\_\_  
*Secretary of the Senate.*

Passed the HOUSE  
as amended \_\_\_\_\_

HOUSE adopted  
Conference Committee Report \_\_\_\_\_

\_\_\_\_\_  
*Speaker of the House.*

\_\_\_\_\_  
*Chief Clerk of the House.*

APPROVED \_\_\_\_\_

\_\_\_\_\_  
*Governor.*