

# Journal of the House

## FORTIETH DAY

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HALL OF THE HOUSE OF REPRESENTATIVES,  
TOPEKA, KS, Tuesday, March 9, 2004, 11:00 a.m.

The House met pursuant to adjournment with Speaker Mays in the chair.  
The roll was called with 124 members present.  
Rep. O'Neal was excused on excused absence by the Speaker.

Prayer by guest chaplain, the Rev. Seth Svaty, pastor, First Presbyterian Church, Sylvan Grove, guest and brother of Rep. Svaty:

Almighty God, in life and in death we belong to you. Though our time on this earth is fleeting, grant that in these solemn moments we may humbly serve you with integrity and devotion. Open our ears to hear the cries of those in need; open our eyes to see solutions to the issues we address. By the power of your Spirit, so quicken our hearts to the love of God and neighbor that in our duties here, however difficult, however controversial, however burdensome, we may endure. In grateful obedience, we offer you this day's work, trusting in your sufficient grace, your abundant mercy, and your steadfast faithfulness so revealed in Christ Jesus. In His name we pray. Amen.

The Pledge of Allegiance was led by Rep. Svaty.

### INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bill was introduced and read by title:

**HB 2922**, An act concerning the Kansas open records act; relating to records not required to be open; amending K.S.A. 2003 Supp. 45-221 and repealing the existing section, by Committee on Federal and State Affairs.

### REFERENCE OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were referred to committees as indicated:

Environment: **HB 2920**.

Taxation: **HB 2921**.

### CHANGE OF REFERENCE

Speaker Mays announced the withdrawal of **HB 2439** from Committee on Calendar and Printing and referral to Committee on Corrections and Juvenile Justice.

### COMMUNICATIONS FROM STATE OFFICERS

From Walter F. Darling, Director of Fiscal and Technical Services, Kansas Highway Patrol, pursuant to K.S.A. 60-4117, report on State Forfeiture Funds, December 1, 2002 through November 30, 2003.

From Larry A. Isaak, President, Midwestern Higher Education Compact (MHEC), Responding to Constituents' Needs in a Changing Climate, January 2004.

The complete reports are kept on file and open for inspection in the office of the Chief Clerk.

**CONSENT CALENDAR**

No objection was made to **SB 292** appearing on the Consent Calendar for the second day.

No objection was made to **SB 352** appearing on the Consent Calendar for the third day. The bill was advanced to Final Action on Bills and Concurrent Resolutions.

**FINAL ACTION ON BILLS AND CONCURRENT RESOLUTIONS**

**SB 352**, An act concerning weights and measures; relating to installation of scales by service companies; amending K.S.A. 83-301 and repealing the existing section, was considered on final action.

Call of the House was demanded.

On roll call, the vote was: Yeas 124; Nays 0; Present but not voting: 0; Absent or not voting: 1.

Yeas: Aurand, Ballard, Ballou, Barbieri-Lightner, Beggs, Bethell, Boyer, Brunk, Burgess, Burroughs, Campbell, Carlin, Carter, Compton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dillmore, Dreher, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Freeborn, Gatewood, Gilbert, Goering, Goico, Gordon, Grant, Hayzlett, Henderson, Henry, Hill, Holland, Holmes, Horst, Howell, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kassebaum, Kauffman, Kirk, Klein, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, M. Long, Long-Mast, Loyd, Mason, Mays, McCreary, McKinney, McLeland, Merrick, F. Miller, J. Miller, Minor, Jim Morrison, Judy Morrison, Myers, Neighbor, Neufeld, Newton, Novascone, O'Malley, Osborne, Ostmeyer, Owens, Patterson, Pauls, Phelps, Pottorff, Powell, Powers, Reardon, Rehorn, Reitz, Ruff, Sawyer, Schwab, Schwartz, Scoggins-Waite, B. Sharp, S. Sharp, Showalter, Shriver, Shultz, Siegfried, Sloan, Storm, Svaty, Swenson, Tafanelli, Thimesch, Thull, Toelkes, Vickrey, Ward, Wilk, D. Williams, J. Williams, Wilson, Winn, Yoder, Yonally.

Nays: None.

Present but not voting: None.

Absent or not voting: O'Neal.

The bill passed.

**HB 2599**, An act concerning sales taxation; relating to destination sourcing rules; time of returns and payment of tax; waiver of certain penalties and interest; sales tax reimbursement payment; remittance credits; amending K.S.A. 2003 Supp. 12-191, 79-3603, 79-3607, 79-3615, 79-3667, 79-3668, 79-3669, 79-3670, 79-3671, 79-3672, 79-3673, 79-3682 and 79-3706 and repealing the existing sections; also repealing K.S.A. 2003 Supp. 79-3603c, was considered on final action.

On roll call, the vote was: Yeas 95; Nays 29; Present but not voting: 0; Absent or not voting: 1.

Yeas: Aurand, Ballard, Barbieri-Lightner, Beggs, Bethell, Boyer, Brunk, Burgess, Campbell, Carter, Compton, Cox, Craft, Dahl, Davis, DeCastro, Decker, Dillmore, Dreher, Edmonds, Faber, Flora, Freeborn, Goering, Goico, Gordon, Hayzlett, Henderson, Hill, Holmes, Horst, Howell, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kassebaum, Kauffman, Kirk, Krehbiel, Landwehr, Lane, Light, M. Long, Long-Mast, Loyd, Mason, Mays, McCreary, McKinney, McLeland, Merrick, F. Miller, Jim Morrison, Judy Morrison, Myers, Neighbor, Neufeld, Newton, Novascone, O'Malley, Osborne, Ostmeyer, Owens, Patterson, Pauls, Pottorff, Powell, Powers, Reitz, Ruff, Sawyer, Schwab, Schwartz, B. Sharp, S. Sharp, Showalter, Shultz, Siegfried, Sloan, Swenson, Tafanelli, Thimesch, Toelkes, Vickrey, Wilk, D. Williams, J. Williams, Winn, Yoder.

Nays: Ballou, Burroughs, Carlin, Crow, Faust-Goudeau, Feuerborn, Flaharty, Gatewood, Gilbert, Grant, Henry, Holland, Klein, Kuether, Larkin, Loganbill, J. Miller, Minor, Phelps, Reardon, Rehorn, Scoggins-Waite, Shriver, Storm, Svaty, Thull, Ward, Wilson, Yonally.

Present but not voting: None.

Absent or not voting: O'Neal.

The bill passed, as amended.

## EXPLANATIONS OF VOTE

MR. SPEAKER: Rome wasn't built in a day, yet we expected Kansas businesses, on roughly 60 days notice, to shift from a point of sale based sales tax to one based on the destination of goods delivered. When will we ever learn? When it comes to fostering a positive business environment, often we seem to take one step forward and two steps back. Nevertheless, we must endeavor to persevere in our effort to help Kansas businesses, which is the engine that drives our economy. **HB 2599** is a step in the right direction. I vote yes.—JEFF GOERING, LEE TAFANELLI, MARIO GOICO, JOE HUMERICKHOUSE, ERIC CARTER, DAN WILLIAMS, BONNIE HUY, RAY MERRICK, TODD NOVASCONE, STEVEN R. BRUNK, ANDREW HOWELL

MR. SPEAKER: **HB 2599** does not solve the problems facing small businesses, it simply delays the inevitable. In its wisdom, this body several times amended **HB 2599** to more effectively address the problems a change in tax policy creates for small businesses. As it now stands, **HB 2599** is flawed, the delay holds a hammer of potential change and change again over the heads of retailers. I oppose delaying implementation of this tax policy; it is the best plan for the future of small businesses.

I vote yes. The amendments are important to small businesses and override the misguided **HB 2599**.—NANCY KIRK, PAUL DAVIS, DEENA HORST

MR. SPEAKER: Last year when the streamlined sales tax issue was considered, many small businesses as well as legislators were misled as to the affect of the bill. The bureaucrats didn't tell us how it would be implemented. Many of the people who asked us to support it are now opposed. This bill is a positive step to address the problems this issue has caused many small businesses. Therefore I vote yes on **HB 2599**.—MICHAEL BURGESS

MR. SPEAKER: **HB 2599** is a misguided attempt to stop the future. As more business transactions occur over the Internet with state and local government losing the sales tax revenue associated with such sales, the need to reclaim this vital source of revenue becomes essential if we are to continue to provide the basic services our constituents demand. It is fundamentally unfair to handicap our local businesses with collecting sales tax while allowing largely out of state business to avoid such collection. I do support the amendments to **HB 2599**, but I cannot stand in the way of the future. I vote NO on **HB 2599**.—JIM WARD

**HB 2732**, An act amending the Kansas commemorative coin design concept act; amending K.S.A. 2003 Supp. 73-2501, 73-2502 and 73-2503 and repealing the existing sections, was considered on final action.

On roll call, the vote was: Yeas 123; Nays 1; Present but not voting: 0; Absent or not voting: 1.

Yeas: Aurand, Ballard, Ballou, Barbieri-Lightner, Beggs, Bethell, Boyer, Brunk, Burgess, Burroughs, Campbell, Carlin, Carter, Compton, Cox, Craft, Crow, Dahl, Davis, DeCastro, Decker, Dreher, Edmonds, Faber, Faust-Goudeau, Feuerborn, Flaharty, Flora, Freeborn, Gatewood, Gilbert, Goering, Goico, Gordon, Grant, Hayzlett, Henderson, Henry, Hill, Holland, Holmes, Horst, Howell, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kassebaum, Kauffman, Kirk, Klein, Krehbiel, Kuether, Landwehr, Lane, Larkin, Light, Loganbill, M. Long, Long-Mast, Loyd, Mason, Mays, McCreary, McKinney, McLeland, Merrick, F. Miller, J. Miller, Minor, Jim Morrison, Judy Morrison, Myers, Neighbor, Neufeld, Newton, Novascone, O'Malley, Osborne, Ostmeyer, Owens, Patterson, Pauls, Phelps, Pottorff, Powell, Powers, Reardon, Rehorn, Reitz, Ruff, Sawyer, Schwab, Schwartz, Scoggins-Waite, B. Sharp, S. Sharp, Showalter, Shriver, Shultz, Siegfried, Sloan, Storm, Svaty, Swenson, Tafanelli, Thimesch, Thull, Toelkes, Vickrey, Ward, Wilk, D. Williams, J. Williams, Wilson, Winn, Yoder, Yonally.

Nays: Dillmore.

Present but not voting: None.

Absent or not voting: O'Neal.

The bill passed.

On motion of Rep. Aurand, the House went into Committee of the Whole, with Rep. Neufeld in the chair.

**COMMITTEE OF THE WHOLE**

On motion of Rep. Neufeld, Committee of the Whole report, as follows, was adopted:

Recommended that **SB 323**; **HB 2487** be passed.

Committee report to **HB 2560** be adopted; also, roll call was demanded on motion of Rep. Goering to amend on page 3, after line 32, by inserting the following:

“Sec. 2. K.S.A. 2003 Supp. 79-32,119 is hereby amended to read as follows: 79-32,119. The Kansas standard deduction of an individual, including a husband and wife who are either both residents or who file a joint return as if both were residents, shall be equal to the sum of the standard deduction amount allowed pursuant to this section, and the additional standard deduction amount allowed pursuant to this section for each such deduction allowable to such individual or to such husband and wife under the federal internal revenue code. For tax year ~~1998~~ 2005, and all tax years thereafter, the standard deduction amount shall be as follows: Single individual filing status, \$3,000; married filing status, ~~\$6,000~~ \$20,000; and head of household filing status, \$4,500. For tax year 1998, and all tax years thereafter, the additional standard deduction amount shall be as follows: Single individual and head of household filing status, \$850; and married filing status, \$700. For purposes of the foregoing, the federal standard deduction allowable to a husband and wife filing separate Kansas income tax returns shall be determined on the basis that separate federal returns were filed, and the federal standard deduction of a husband and wife filing a joint Kansas income tax return shall be determined on the basis that a joint federal income tax return was filed.”;

And by renumbering sections accordingly;

Also on page 3, in line 33, by striking “is” and inserting “and 79-32,119 are”;

On page 1, in the title, in line 11, after the semicolon by inserting “Kansas income tax standard deduction;”; also in line 11, after “and” by inserting “79-32,119 and”; in line 12, by striking “section” and inserting “sections”;

On roll call, the vote was: Yeas 106; Nays 15; Present but not voting: 0; Absent or not voting: 4.

Yeas: Aurand, Ballard, Barbieri-Lightner, Bethell, Boyer, Brunk, Burgess, Burroughs, Campbell, Carlin, Carter, Compton, Craft, Dahl, Davis, DeCastro, Decker, Dillmore, Edmonds, Faber, Feuerborn, Flora, Freeborn, Gatewood, Gilbert, Goering, Goico, Gordon, Grant, Hayzlett, Henderson, Henry, Hill, Holland, Holmes, Horst, Howell, Huebert, Huff, Humerickhouse, Huntington, Hutchins, Huy, Jack, D. Johnson, E. Johnson, Kauffman, Klein, Landwehr, Lane, Larkin, Light, Loganbill, M. Long, Long-Mast, Loyd, Mason, McCreary, McKinney, McLeland, Merrick, F. Miller, J. Miller, Jim Morrison, Judy Morrison, Myers, Neighbor, Neufeld, Newton, Novascone, O'Malley, Osborne, Ostmeyer, Owens, Patterson, Pauls, Phelps, Pottorff, Powell, Powers, Reardon, Rehorn, Ruff, Sawyer, Schwab, Schwartz, Scoggins-Waite, B. Sharp, S. Sharp, Showalter, Shultz, Siegfried, Sloan, Swenson, Tafanelli, Thimesch, Thull, Toelkes, Vickrey, Ward, Wilk, D. Williams, J. Williams, Wilson, Winn, Yoder.

Nays: Ballou, Beggs, Cox, Crow, Dreher, Flaharty, Kassebaum, Kirk, Krehbiel, Kuether, Reitz, Shriver, Storm, Svaty, Yonally.

Present but not voting: None.

Absent or not voting: Faust-Goudeau, Mays, Minor, O'Neal.

The motion of Rep. Goering prevailed.

Also, on motion of Rep. Mason to amend **HB 2560**, the motion did not prevail.

Also, on motion of Rep. Sloan, **HB 2560** be amended on page 1, in line 16, after “In” by inserting “Douglas.”;

Also, on motion of Rep. Larkin to amend **HB 2560**, Rep. Edmonds requested the question be divided. The question was divided. Part A of the motion of Rep. Larkin did not prevail.

On Part B of the motion of Rep. Larkin, **HB 2560** be amended on page 3, by striking all in line 33 and by inserting:

“New Sec. 2. For school year 2004-2005 and each school year thereafter, a pupil attending full-day kindergarten at an attendance center with an enrollment in the preceding school

year of at least 60% pupils who are eligible for free or reduced price meals under the national school lunch act shall be counted as one pupil.

New Sec. 3. (a) There is hereby established in the state treasury the school district capital outlay supplemental fund. The fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which is obligated to make payments from its capital outlay fund established pursuant to K.S.A. 72-8803, and amendments thereto, shall be entitled to receive payment from the school district capital outlay supplemental fund in an amount determined by the state board of education as provided in this subsection. The state board of education shall:

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

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

(3) prepare a schedule of dollar amounts using the amount of the median AVPP of all school districts as the point of beginning. The schedule of dollar amounts shall range upward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the highest AVPP of all school districts and shall range downward in equal \$1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the lowest AVPP of all school districts;

(4) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the median AVPP shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval above the amount of the median AVPP, and increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval below the amount of the median AVPP. The state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district, except that the state aid percentage factor of a school district shall not exceed 100%. The state aid computation percentage is 25% for capital outlay obligations incurred by a school district on or after the effective date of this act under K.S.A. 72-8801 et seq., and amendments thereto;

(5) determine the amount that a school district levied pursuant to K.S.A. 72-8801 et seq., and amendments thereto, but not to exceed four mills;

(6) multiply the amount determined under paragraph (5) by the applicable state aid percentage factor. The product is the amount of payment the school district is entitled to receive from the school district capital outlay supplemental fund in the school year.

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital outlay supplemental fund for distribution to school districts. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund.

(d) Payments from the school district capital outlay supplemental fund shall be distributed to school districts at times determined by the state board of education to be necessary to assist school districts in making scheduled payments pursuant to capital outlay obligations. The state board of education shall certify to the director of accounts and reports the amount due each school district entitled to payment from the fund, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the school district. Upon receipt of the warrant, the treasurer of the school district shall credit the amount thereof to the capital outlay fund of the school district to be used for the purposes of such fund.

Sec. 4. K.S.A. 72-6405 is hereby amended to read as follows: 72-6405. (a) K.S.A. 72-6405 through ~~72-6440~~ 72-6447 and sections 2 and 3, and amendments thereto, shall be known and may be cited as the school district finance and quality performance act.

~~(b) The provisions of this section shall take effect and be in force from and after July 1, 1992.~~

*(b) The provisions of this act are severable. If any provision of this act is held to be invalid or unconstitutional, it shall be presumed conclusively that the legislature would have enacted the remainder of this act without such invalid or unconstitutional provision.*

Sec. 5. K.S.A. 2003 Supp. 72-6407 is hereby amended to read as follows: 72-6407. As used in this act:

(a) (1) "Pupil" means any person (A) who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 maintained by the district ~~or~~; (B) who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 in another district in accordance with an agreement entered into under authority of K.S.A. 72-8233, and amendments thereto, ~~or~~; or (C) who is regularly enrolled in a district and attending special education *and related* services provided for preschool-aged exceptional children by the district.

(2) Except as otherwise provided in this subsection, a pupil in attendance full time shall be counted as one pupil. A pupil in attendance part time shall be counted as that proportion of one pupil (to the nearest  $\frac{1}{10}$ ) that the pupil's attendance bears to full-time attendance. *Except as provided by section 2, and amendments thereto*, a pupil attending kindergarten shall be counted as  $\frac{1}{2}$  pupil. A pupil enrolled in and attending an institution of postsecondary education which is authorized under the laws of this state to award academic degrees shall be counted as one pupil if the pupil's postsecondary education enrollment and attendance together with the pupil's attendance in either of the grades 11 or 12 is at least  $\frac{5}{6}$  time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest  $\frac{1}{10}$ ) that the total time of the pupil's postsecondary education attendance and attendance in grade 11 or 12, as applicable, bears to full-time attendance. A pupil enrolled in and attending an area vocational school, area vocational-technical school or approved vocational education program shall be counted as one pupil if the pupil's vocational education enrollment and attendance together with the pupil's attendance in any of grades nine through 12 is at least  $\frac{5}{6}$  time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest  $\frac{1}{10}$ ) that the total time of the pupil's vocational education attendance and attendance in any of grades nine through 12 bears to full-time attendance. A pupil enrolled in a district and attending special education and related services, except special education and related services for preschool-aged exceptional children, provided for by the district shall be counted as one pupil. A pupil enrolled in a district and attending special education and related services for preschool-aged exceptional children provided for by the district shall be counted as  $\frac{1}{2}$  pupil. A preschool-aged at-risk pupil enrolled in a district and receiving services under an approved at-risk pupil assistance plan maintained by the district shall be counted as  $\frac{1}{2}$  pupil. A pupil in the custody of the secretary of social and rehabilitation services and enrolled in unified school district No. 259, Sedgwick county, Kansas, but housed, maintained, and receiving educational services at the Judge James V. Riddel Boys Ranch, shall be counted as two pupils.

(3) A pupil residing at the Flint Hills job corps center shall not be counted. A pupil confined in and receiving educational services provided for by a district at a juvenile detention facility shall not be counted. A pupil enrolled in a district but housed, maintained, and receiving educational services at a state institution shall not be counted.

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

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

(d) "Preschool-aged at-risk pupil" means an at-risk pupil who has attained the age of four years, is under the age of eligibility for attendance at kindergarten, and has been selected by the state board in accordance with guidelines consonant with guidelines governing the selection of pupils for participation in head start programs. The state board shall select not more than 5,500 preschool-aged at-risk pupils to be counted in any school year.

(e) "Enrollment" means: (1) For districts scheduling the school days or school hours of the school term on a trimestral or quarterly basis, the number of pupils regularly enrolled in the district on September 20 plus the number of pupils regularly enrolled in the district on February 20 less the number of pupils regularly enrolled on February 20 who were counted in the enrollment of the district on September 20; and for districts not specified in this ~~clause~~ *paragraph* (1), the number of pupils regularly enrolled in the district on September 20.

(2) If enrollment in a district in any school year has decreased from enrollment in the preceding school year, enrollment of the district in the current school year means whichever is the greater of (A) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled, plus enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled, or (B) the sum of enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled and the average (mean) of the sum of (i) enrollment of the district in the current school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils are enrolled and (ii) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled and (iii) enrollment in the school year next preceding the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled; ~~or.~~

(3) *For districts affected by a disaster, as defined by K.S.A. 72-6447, and amendments thereto, the number of pupils as determined under K.S.A. 72-6447, and amendments thereto.*

(f) "Adjusted enrollment" means enrollment adjusted by adding at-risk pupil weighting, program weighting, low enrollment weighting, if any, correlation weighting, if any, school facilities weighting, if any, ancillary school facilities weighting, if any, special education and related services weighting, and transportation weighting to enrollment.

(g) "At-risk pupil weighting" means an addend component assigned to enrollment of districts on the basis of enrollment of at-risk pupils.

(h) "Program weighting" means an addend component assigned to enrollment of districts on the basis of pupil attendance in educational programs which differ in cost from regular educational programs.

(i) "Low enrollment weighting" means an addend component assigned to enrollment of districts having under ~~1,725~~ 1,700 enrollment on the basis of costs attributable to maintenance of educational programs by such districts in comparison with costs attributable to maintenance of educational programs by districts having ~~1,725~~ 1,700 or over enrollment.

(j) "School facilities weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to commencing operation of new school facilities. School facilities weighting may be assigned to enrollment of a district only if the district has adopted a local option budget and budgeted therein the total amount authorized for the school year. School facilities weighting may be assigned to enrollment of the district only in the school year in which operation of a new school facility is commenced and in the next succeeding school year.

(k) "Transportation weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to the provision or furnishing of transportation.

(l) "Correlation weighting" means an addend component assigned to enrollment of districts having ~~1,725~~ 1,700 or over enrollment on the basis of costs attributable to maintenance of educational programs by such districts as a correlate to low enrollment weighting assigned to enrollment of districts having under ~~1,725~~ 1,700 enrollment.

(m) "Ancillary school facilities weighting" means an addend component assigned to enrollment of districts to which the provisions of K.S.A. 72-6441, and amendments thereto, apply on the basis of costs attributable to commencing operation of new school facilities. Ancillary school facilities weighting may be assigned to enrollment of a district only if the district has levied a tax under authority of K.S.A. 72-6441, and amendments thereto, and remitted the proceeds from such tax to the state treasurer. Ancillary school facilities weighting is in addition to assignment of school facilities weighting to enrollment of any district eligible for such weighting.

(n) "Juvenile detention facility" means: (1) Any secure public or private facility which is used for the lawful custody of accused or adjudicated juvenile offenders and which shall not be a jail;

(2) any level VI treatment facility licensed by the Kansas department of health and environment which is a psychiatric residential treatment facility for individuals under the age of 21 which conforms with the regulations of the centers for medicare/medicaid services and the joint commission on accreditation of health care organizations governing such facilities; and

(3) the Forbes Juvenile Attention Facility, the Sappa Valley Youth Ranch of Oberlin, Salvation Army/Koch Center Youth Services, the Clarence M. Kelley Youth Center, the Clarence M. Kelley Transitional Living Center, Trego County Secure Care Center, St. Francis Academy at Atchison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina, St. Francis Center at Salina, King's Achievement Center, and Liberty Juvenile Services and Treatment.

(o) "Special education and related services weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to provision of special education and related services for pupils determined to be exceptional children.

Sec. 6. K.S.A. 72-6410 is hereby amended to read as follows: 72-6410. (a) "State financial aid" means an amount equal to the product obtained by multiplying base state aid per pupil by the adjusted enrollment of a district.

(b) (1) "Base state aid per pupil" means an amount of state financial aid per pupil. ~~Subject to the other provisions of this subsection, the amount of base state aid per pupil is \$3,890.~~

(2) *Subject to the provisions of paragraph (3) of this subsection:*

(A) *For school year 2003-2004, the amount of base state aid per pupil shall be \$3,863.*

(B) *For school year 2004-2005, the amount of base state aid per pupil shall be \$3,963.*

(3) The amount of base state aid per pupil is subject to reduction commensurate with any reduction under K.S.A. 75-6704, and amendments thereto, in the amount of the appropriation from the state general fund for general state aid. If the amount of appropriations for general state aid is insufficient to pay in full the amount each district is entitled to receive for any school year, the amount of base state aid per pupil for such school year is subject to reduction commensurate with the amount of the insufficiency.

(c) "Local effort" means the sum of an amount equal to the proceeds from the tax levied under authority of K.S.A. 72-6431, and amendments thereto, and an amount equal to any unexpended and unencumbered balance remaining in the general fund of the district, except amounts received by the district and authorized to be expended for the purposes specified in K.S.A. 72-6430, and amendments thereto, and an amount equal to any unexpended and unencumbered balances remaining in the program weighted funds of the district, except any amount in the vocational education fund of the district if the district is operating an area vocational school, and an amount equal to any remaining proceeds from taxes levied under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto, prior to the repeal of such statutory sections, and an amount equal to the amount deposited in the general fund in the current school year from amounts received in such year by the district under the provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto, and an amount equal to the amount deposited in the general fund in the current school year from amounts received in such year by the district pursuant to contracts made and entered into under authority of K.S.A. 72-6757, and amendments thereto, and an amount equal to the amount credited to the general fund in the current school year from amounts distributed in such year to the district under the provisions of articles 17 and 34 of chapter 12 of Kansas Statutes Annotated and under the provisions of articles 42 and 51 of chapter 79 of Kansas Statutes Annotated, and an amount equal to the amount of payments received by the district under the provisions of K.S.A. 72-979, and amendments thereto, and an amount equal to the amount of a grant, if any, received by the district under the provisions of K.S.A. 72-983, and amendments thereto, and an amount equal to 75% of the federal impact aid of the district.

(d) "Federal impact aid" means an amount equal to the federally qualified percentage of the amount of moneys a district receives in the current school year under the provisions of title I of public law 874 and congressional appropriations therefor, excluding amounts

received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid defined herein as an amount equal to the federally qualified percentage of the amount of moneys provided for the district under title I of public law 874 shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder.

Sec. 7. K.S.A. 72-6412 is hereby amended to read as follows: 72-6412. The low enrollment weighting of each district with under ~~1,725~~ 1,700 enrollment shall be determined by the state board as follows:

(a) Determine the amount of the median budget per pupil for the 1991-92 school year of districts with 75-125 enrollment in such school year;

(b) determine the amount of the median budget per pupil for the 1991-92 school year of districts with 200-399 enrollment in such school year;

(c) determine the amount of the median budget per pupil for the 1991-92 school year of districts with 1,900 or over enrollment;

(d) prescribe a schedule amount for each of the districts by preparing a schedule based upon an accepted mathematical formula and derived from a linear transition between (1) the median budgets per pupil determined under (a) and (b), and (2) the median budgets per pupil determined under (b) and (c). The schedule amount for districts with 0-99 enrollment is an amount equal to the amount of the median budget per pupil determined under (a). The schedule amount for districts with 100-299 enrollment is the amount derived from the linear transition under (1). The schedule amount for districts with 300-1,899 enrollment is the amount derived from the linear transition under (2);

(e) for districts with 0-99 enrollment:

(1) Subtract the amount determined under (c) from the amount determined under (a);

(2) divide the remainder obtained under (1) by the amount determined under (c);

(3) multiply the quotient obtained under (2) by the enrollment of the district in the current school year. The product is the low enrollment weighting of the district;

(f) for districts with 100-299 enrollment:

(1) Subtract the amount determined under (c) from the schedule amount of the district;

(2) divide the remainder obtained under (1) by the amount determined under (c);

(3) multiply the quotient obtained under (2) by the enrollment of the district in the current school year. The product is the low enrollment weighting of the district;

(g) for districts with ~~300-1,724~~ 300-1,699 enrollment:

(1) Subtract the amount determined under (c) from the schedule amount of the district;

(2) divide the remainder obtained under (1) by the amount determined under (c);

(3) multiply the quotient obtained under (2) by the enrollment of the district in the current school year. The product is the low enrollment weighting of the district.

Sec. 8. K.S.A. 72-6413 is hereby amended to read as follows: 72-6413. The program weighting of each district shall be determined by the state board as follows:

(a) Compute full time equivalent enrollment in programs of bilingual education ~~and multiply the computed enrollment by 0.2;~~

(b) *(1) multiply the computed enrollment by .22 for school year 2004-2005 and each school year thereafter;*

(c) compute full time equivalent enrollment in approved vocational education programs and multiply the computed enrollment by 0.5;

~~(d)~~ *(d) add the products obtained under (a) and (b) subsections (a), (b) and (c). The sum is the program weighting of the district.*

~~(d) The provisions of this section shall take effect and be in force from and after July 1, 1992.~~

Sec. 9. K.S.A. 72-6414 is hereby amended to read as follows: 72-6414. (a) The at-risk pupil weighting of each district shall be determined by the state board ~~by multiplying as follows:~~

*(1) multiply the number of at-risk pupils included in enrollment of the district by ~~10~~ .15 for school year 2004-2005 and each school year thereafter.*

*(b) The product obtained under subsection (a) is the at-risk pupil weighting of the district.*

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

~~(c)~~ (d) A district shall include such information in its at-risk pupil assistance plan as the state board may require regarding the district's remediation strategies and the results thereof in achieving the third grade reading standards and outcomes of mastery identified by the state board. The reporting requirements shall include information documenting remediation strategies and improvement made by pupils who performed below the expected standard on the second grade diagnostic reading test prescribed by the state board.

~~(d)~~ (e) A district whose pupils substantially achieve the state board standards and outcomes of mastery of reading skills upon completion of third grade may be released, upon request, by the state board from the requirements of subsection (b).

Sec. 10. K.S.A. 2003 Supp. 72-6431 is hereby amended to read as follows: 72-6431. (a) The board of each district shall levy an ad valorem tax upon the taxable tangible property of the district in the school years specified in subsection (b) for the purpose of:

(1) Financing that portion of the district's general fund budget which is not financed from any other source provided by law;

(2) paying a portion of the costs of operating and maintaining public schools in partial fulfillment of the constitutional obligation of the legislature to finance the educational interests of the state; and

(3) with respect to any redevelopment district established prior to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district.

(b) The tax required under subsection (a) shall be levied at a rate of 20 mills in the school year 2003-2004 and school year 2004-2005.

(c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the general fund of the district.

(d) On June 1 of each year, the amount, if any, by which a district's local effort exceeds the amount of the district's state financial aid, as determined by the state board, shall be remitted to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury to the credit of the state school district finance fund.

(e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments thereto.

Sec. 11. K.S.A. 72-6433 is hereby amended to read as follows: 72-6433. (a) (1) The board of any district may adopt a local option budget in each school year in an amount not to exceed an amount equal to the district prescribed percentage of the amount of state financial aid determined for the district in the school year. As used in this section, "district prescribed percentage" means:

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

(B) for any district that was authorized to adopt and that adopted a local option budget in the 1996-97 school year and to which the provisions of K.S.A. 72-6444, and amendments thereto, apply in the current school year, a percentage in the 2001-02 school year and each school year thereafter that is equal to the sum of the percentage of the amount of state financial aid the district was authorized to budget in the preceding school year and the

percentage computed for the district by the state board under the provisions of K.S.A. 72-6444, and amendments thereto;

(C) for any district that was not authorized to adopt a local option budget in the 1996-97 school year and to which the provisions of K.S.A. 72-6444, and amendments thereto, apply in the current school year, a percentage in the 2001-02 school year and each school year thereafter that is equal to the sum of the percentage of the amount of state financial aid the district was authorized to budget in the preceding school year and the percentage computed for the district by the state board under the provisions of K.S.A. 72-6444, and amendments thereto;

(D) for any district to which the provisions of K.S.A. 72-6444, and amendments thereto, applied in the 1997-98 school year and to which the provisions of K.S.A. 72-6444, and amendments thereto, do not apply in the current school year because an increase in the amount budgeted by the district in its local option budget as authorized by a resolution adopted under the provisions of subsection (b) causes the actual amount per pupil budgeted by the district in the preceding school year as determined for the district under provision (1) of subsection (a) of K.S.A. 72-6444, and amendments thereto, to equal or exceed the average amount per pupil of general fund budgets and local option budgets computed by the state board under whichever of the provisions (7) through (10) of subsection (a) of K.S.A. 72-6444, and amendments thereto, is applicable to the district's enrollment group, a percentage that is equal to the percentage of the amount of state financial aid the district was authorized to budget in the preceding school year if the resolution authorized the district to increase its local option budget on a continuous and permanent basis. If the resolution that authorized the district to increase its local option budget specified a definite period of time for which the district would retain its authority to increase the local option budget and such authority lapses at the conclusion of such period and is not renewed, the term district prescribed percentage means a percentage that is equal to the percentage of the amount of state financial aid the district was authorized to budget in the preceding school year less the percentage of increase that was authorized by the resolution unless the loss of the percentage of increase that was authorized by the resolution would cause the actual amount per pupil budgeted by the district to be less than the average amount per pupil of general fund budgets and local option budgets computed by the state board under whichever of the provisions (7) through (10) of subsection (a) of K.S.A. 72-6444, and amendments thereto, is applicable to the district's enrollment group, in which case, the term district prescribed percentage means a percentage that is equal to the percentage of the amount of state financial aid the district was authorized to budget in the preceding school year less the percentage of increase that was authorized by the resolution plus a percentage which shall be computed for the district by the state board in accordance with the provisions of K.S.A. 72-6444, and amendments thereto, except that, in making the determination of the actual amount per pupil budgeted by the district in the preceding school year, the state board shall exclude the percentage of increase that was authorized by the resolution.

(2) (A) Subject to the provisions of subpart (B), the adoption of a local option budget under authority of this subsection shall require a majority vote of the members of the board and shall require no other procedure, authorization or approval.

(B) In lieu of utilizing the authority granted by subpart (A) for adoption of a local option budget, the board of a district may pass a resolution authorizing adoption of such a budget and publish such resolution once in a newspaper having general circulation in the district. The resolution shall be published in substantial compliance with the following form:

Unified School District No. \_\_\_\_\_

\_\_\_\_\_ County, Kansas.

#### RESOLUTION

Be It Resolved that:

The board of education of the above-named school district shall be authorized to adopt a local option budget in each school year for a period of time not to exceed \_\_\_\_\_ years in an amount not to exceed \_\_\_\_\_ % of the amount of state financial aid determined for the current school year. The local option budget authorized by this resolution may be adopted, unless a petition in opposition to the same, signed by not less than 5% of the

qualified electors of the school district, is filed with the county election officer of the home county of the school district within 30 days after publication of this resolution. In the event a petition is filed, the county election officer shall submit the question of whether adoption of the local option budget shall be authorized to the electors of the school district at an election called for the purpose or at the next general election, as is specified by the board of education of the school district.

CERTIFICATE

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

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

All of the blanks in the resolution shall be appropriately filled. The blank preceding the word "years" shall be filled with a specific number, and the blank preceding the percentage symbol shall be filled with a specific number. No word shall be inserted in either of the blanks. The percentage specified in the resolution shall not exceed the district prescribed percentage. The resolution shall be published once in a newspaper having general circulation in the school district. If no petition as specified above is filed in accordance with the provisions of the resolution, the board may adopt a local option budget. If a petition is filed as provided in the resolution, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local option budget shall be authorized. If the board fails to notify the county election officer within 30 days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution. If any district is authorized to adopt a local option budget under this subpart, but the board of such district chooses, in any school year, not to adopt such a budget or chooses, in any school year, to adopt such budget in an amount less than the amount of the district prescribed percentage of the amount of state financial aid in any school year, such board of education may so choose. If the board of any district refrains from adopting a local option budget in any one or more school years or refrains from budgeting the total amount authorized for any one or more school years, the authority of such district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget, nor shall the amount authorized to be budgeted in any succeeding school year be increased by such refrainment. Whenever an initial resolution has been adopted under this subpart, and such resolution specified a lesser percentage than the district prescribed percentage, the board of the district may adopt one or more subsequent resolutions under the same procedure as provided for the initial resolution and subject to the same conditions, and shall be authorized to increase the percentage as specified in any such subsequent resolution for the remainder of the period of time specified in the initial resolution. Any percentage specified in a subsequent resolution or in subsequent resolutions shall be limited so that the sum of the percentage authorized in the initial resolution and the percentage authorized in the subsequent resolution or in subsequent resolutions is not in excess of the district prescribed percentage in any school year. The board of any district that has been authorized to adopt a local option budget under this subpart and levied a tax under authority of K.S.A. 72-6435, and amendments thereto, may initiate, at any time after the final levy is certified to the county clerk under any current authorization, procedures to renew its authority to adopt a local option budget in the manner specified in this subpart or may utilize the authority granted by subpart (A). As used in this subpart, the term "authorized to adopt a local option budget" means that a district has adopted a resolution under this subpart, has published the same, and either that the resolution was not protested or that it was protested and an election was held by which the adoption of a local option budget was approved.

(3) The provisions of this subsection are subject to the provisions of subsections (b) and (c).

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

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

(2) No district may increase a local option budget under authority of this subsection until: (A) A resolution authorizing such an increase is passed by the board and published once in a newspaper having general circulation in the district; or (B) the question of whether the board shall be authorized to increase the local option budget has been submitted to and approved by the qualified electors of the district at a special election called for the purpose. Any such election shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto, for the noticing, calling and holding of elections upon the question of issuing bonds under the general bond law. The notice of such election shall state the purpose for and time of the election, and the ballot shall be designed with the question of whether the board of education of the district shall be continuously and permanently authorized to increase the local option budget of the district in each school year by a percentage which together with the percentage of the amount of state financial aid budgeted under subsection (a) does not exceed the state prescribed percentage in any school year. If a majority of the qualified electors voting at the election approve authorization of the board to increase the local option budget, the board shall have such authority. If a majority of the qualified electors voting at the election are opposed to authorization of the board to increase the local option budget, the board shall not have such authority and no like question shall be submitted to the qualified electors of the district within the nine months following the election.

(3) (A) Subject to the provisions of subpart (B), a resolution authorizing an increase in the local option budget of a district shall state that the board of education of the district shall be authorized to increase the local option budget of the district in each school year in an amount not to exceed \_\_\_\_\_% of the amount of state financial aid determined for the current school year and that the percentage of increase may be reduced so that the sum of the percentage of the amount of state financial aid budgeted under subsection (a) and the percentage of increase specified in the resolution does not exceed the state prescribed percentage in any school year. The blank preceding the percentage symbol shall be filled with a specific number. No word shall be inserted in the blank. The resolution shall specify a definite period of time for which the board shall be authorized to increase the local option budget and such period of time shall be expressed by the specific number of school years for which the board shall retain its authority to increase the local option budget. No word shall be used to express the number of years for which the board shall be authorized to increase the local option budget.

(B) In lieu of the requirements of subpart (A) and at the discretion of the board, a resolution authorizing an increase in the local option budget of a district may state that the board of education of the district shall be continuously and permanently authorized to increase the local option budget of the district in each school year by a percentage which together with the percentage of the amount of state financial aid budgeted under subsection (a) does not exceed the state prescribed percentage in any school year.

(4) A resolution authorizing an increase in the local option budget of a district shall state that the amount of the local option budget may be increased as authorized by the resolution unless a petition in opposition to such increase, signed by not less than 5% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 30 days after publication. If no petition is filed in accordance with the provisions of the resolution, the board is authorized to increase the local option budget of the district. If a petition is filed as provided in the resolution, the board may notify the county election officer of the date of an election to be held to submit the question of whether the board shall be authorized to increase the local option budget of the district. If the board fails to notify the county election officer within 30 days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

(5) The requirements of provision (2) do not apply to any district that is continuously and permanently authorized to increase the local option budget of the district. An increase in the amount of a local option budget by such a district shall require a majority vote of the members of the board and shall require no other procedure, authorization or approval.

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

(7) Whenever an initial resolution has been adopted under this subsection, and such resolution specified a percentage which together with the percentage of the amount of state financial aid budgeted under subsection (a) is less than the state prescribed percentage, the board of the district may adopt one or more subsequent resolutions under the same procedure as provided for the initial resolution and shall be authorized to increase the percentage as specified in any such subsequent resolution. If the initial resolution specified a definite period of time for which the district is authorized to increase its local option budget, the authority to increase such budget by the percentage specified in any subsequent resolution shall be limited to the remainder of the period of time specified in the initial resolution. Any percentage specified in a subsequent resolution or in subsequent resolutions shall be limited so that the sum of the percentage authorized in the initial resolution and the percentage authorized in the subsequent resolution or in subsequent resolutions together with the percentage of the amount of state financial aid budgeted under subsection (a) is not in excess of the state prescribed percentage in any school year.

(8) (A) Subject to the provisions of subpart (B), the board of any district that has adopted a local option budget under subsection (a), has been authorized to increase such budget under a resolution which specified a definite period of time for retention of such authorization, and has levied a tax under authority of K.S.A. 72-6435, and amendments thereto, may initiate, at any time after the final levy is certified to the county clerk under any current authorization, procedures to renew the authority to increase the local option budget subject to the conditions and in the manner specified in provisions (2) and (3) of this subsection.

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

(9) As used in this subsection:

(A) "Authorized to increase a local option budget" means either that a district has held a special election under provision (2)(B) by which authority of the board to increase a local option budget was approved, or that a district has adopted a resolution under provision (2) (A), has published the same, and either that the resolution was not protested or that it was protested and an election was held by which the authority of the board to increase a local option budget was approved.

(B) "State prescribed percentage" means ~~25%~~ 26% in the 2004-05 school year; 27% in the 2005-06 school year; 28% in the 2006-07 school year; 29% in the 2007-08 school year; and 30% in the 2008-09 school year and in each school year thereafter.

(c) To the extent the provisions of the foregoing subsections conflict with this subsection, this subsection shall control. Any district that is authorized to adopt a local option budget in the 1997-98 school year under a resolution which authorized the adoption of such budget in accordance with the provisions of this section prior to its amendment by this act may continue to operate under such resolution for the period of time specified in the resolution or may abandon the resolution and operate under the provisions of this section as amended by this act. Any such district shall operate under the provisions of this section as amended by this act after the period of time specified in the resolution has expired.

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

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

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

(4) Any unexpended and unencumbered cash balance remaining in the supplemental general fund of a district at the conclusion of any school year in which a local option budget is adopted shall be disposed of as provided in this subsection. If the district did not receive supplemental general state aid in the school year and the board of the district determines that it will be necessary to adopt a local option budget in the ensuing school year, the total amount of the cash balance remaining in the supplemental general fund shall be maintained in such fund or transferred to the general fund of the district. If the board of such a district determines that it will not be necessary to adopt a local option budget in the ensuing school year, the total amount of the cash balance remaining in the supplemental general fund shall be transferred to the general fund of the district. If the district received supplemental general state aid in the school year, transferred or expended the entire amount budgeted in the local option budget for the school year, and determines that it will be necessary to adopt a local option budget in the ensuing school year, the total amount of the cash balance remaining in the supplemental general fund shall be maintained in such fund or transferred to the general fund of the district. If such a district determines that it will not be necessary to adopt a local option budget in the ensuing school year, the total amount of the cash balance remaining in the supplemental general fund shall be transferred to the general fund of the district. If the district received supplemental general state aid in the school year, did not transfer or expend the entire amount budgeted in the local option budget for the school year, and determines that it will not be necessary to adopt a local option budget in the ensuing school year, the total amount of the cash balance remaining in the supplemental general fund shall be transferred to the general fund of the district. If the district received supplemental general state aid in the school year, did not transfer or expend the entire amount budgeted in the local option budget for the school year, and determines that it will be necessary to adopt a local option budget in the ensuing school year, the state board shall determine the ratio of the amount of supplemental general state aid received to the amount of the local option budget of the district for the school year and multiply the total amount of the cash balance remaining in the supplemental general fund by such ratio. An amount equal to the amount of the product shall be transferred to the general fund of the district. The amount remaining in the supplemental general fund may be maintained in such fund or transferred to the general fund of the district.

Sec. 12. K.S.A. 72-6442 is hereby amended to read as follows: 72-6442. The correlation weighting of each district with ~~1,725~~ 1,700 or over enrollment shall be determined by the state board as follows:

(a) Determine the schedule amount for a district with ~~1,725~~ 1,700 enrollment as derived from the linear transition under (d) of K.S.A. 72-6412, and amendments thereto, and subtract the amount determined under (c) of K.S.A. 72-6412, and amendments thereto, from the schedule amount so determined;

(b) divide the remainder obtained under (a) by the amount determined under (c) of K.S.A. 72-6412, and amendments thereto, and multiply the quotient by the enrollment of the district in the current school year. The product is the correlation weighting of the district.

Sec. 13. K.S.A. 72-6405, 72-6410, 72-6412, 72-6413, 72-6414, 72-6433, 72-6433b, 72-6440 and 72-6442 and K.S.A. 2003 Supp. 72-6407, 72-6431, 72-6431b, 72-6431c and 79-2017 are hereby repealed.”;

By renumbering the remaining section accordingly;

On page 1, in the title, in line 11, after the semicolon, by inserting "school finance;"; also in line 11, after "amending" by inserting "K.S.A. 72-6405, 72-6410, 72-6412, 72-6413, 72-6414, 72-6433 and 72-6442 and"; also in line 11, after "Supp." by inserting "72-6407, 72-6431 and"; in line 12, by striking "section" and inserting "sections; also repealing K.S.A. 72-6433b and 72-6440 and K.S.A. 2003 Supp. 72-6431b and 72-6431c";

Also, on motion of Rep. Powers to amend **HB 2560**, the motion did not prevail.

Also, on motion of Rep. Swenson, **HB 2560** be amended on page 3, after line 32, by inserting the following:

"New Sec. 2. The board of education of each school district shall pay a minimum annual salary, exclusive of benefits, of at least \$30,000 to all full-time teachers employed by such district.";

And by renumbering sections accordingly;

On page 1, in the title, in line 10, by striking "taxation" and inserting "certain municipalities; relating to salaries";

Also, roll call was demanded on motion to recommend **HB 2560** favorably for passage.

On roll call, the vote was: Yeas 73; Nays 49; Present but not voting: 0; Absent or not voting: 3.

Yeas: Ballard, Barbieri-Lightner, Bethell, Boyer, Burroughs, Carlin, Crow, Dahl, Davis, Dillmore, Faust-Goudeau, Feuerborn, Flaharty, Flora, Freeborn, Gatewood, Gilbert, Goico, Gordon, Grant, Henderson, Henry, Holland, Huff, Huntington, Jack, D. Johnson, Kirk, Klein, Kuether, Lane, Larkin, Loganbill, M. Long, Loyd, McKinney, J. Miller, Minor, Judy Morrison, Myers, Neighbor, Newton, O'Malley, Owens, Pauls, Phelps, Pottorff, Powers, Reardon, Rehorn, Ruff, Sawyer, Scoggins-Waite, B. Sharp, S. Sharp, Showalter, Shriver, Shultz, Sloan, Storm, Svaty, Swenson, Thimesch, Thull, Toelkes, Vickrey, Ward, D. Williams, J. Williams, Wilson, Winn, Yoder, Yonally.

Nays: Aurand, Ballou, Beggs, Brunk, Burgess, Campbell, Carter, Compton, Craft, DeCastro, Decker, Dreher, Edmonds, Faber, Goering, Hayzlett, Hill, Holmes, Horst, Howell, Huebert, Humerickhouse, Hutchins, Huy, E. Johnson, Kassebaum, Kauffman, Krehbiel, Light, Long-Mast, Mason, Mays, McCreary, McLeland, Merrick, F. Miller, Jim Morrison, Neufeld, Novascone, Osborne, Ostmeyer, Patterson, Powell, Reitz, Schwab, Schwartz, Siegfried, Tafarielli, Wilk.

Present but not voting: None.

Absent or not voting: Cox, Landwehr, O'Neal.

The motion prevailed and **HB 2560** be passed as amended.

#### REPORTS OF STANDING COMMITTEES

Committee on **Economic Development** recommends **SB 222**, as amended by Senate Committee of the Whole, be amended by substituting a new bill to be designated as "HOUSE Substitute for SENATE BILL No. 222," as follows:

"HOUSE Substitute for SENATE BILL No. 222

By Committee on Economic Development

"AN ACT concerning housing; relating to the Kansas development finance authority; authorizing the issuance of mortgage revenue bonds; amending K.S.A. 74-8903 and 74-8912 and K.S.A. 2003 Supp. 74-8902, 74-8904 and 74-8905 and repealing the existing sections."; and the substitute bill be passed.

(**H. Sub. for SB 222** was thereupon introduced and read by title).

Committee on **Education** recommends **SB 373** be passed.

Upon unanimous consent, the House referred back to the regular order of business, Introduction of Bills and Concurrent Resolutions.

#### INTRODUCTION OF BILLS AND CONCURRENT RESOLUTIONS

The following bills were thereupon introduced and read by title:

**HB 2923**, An act concerning income taxation; relating to resident trusts; imposition of taxes; classes of taxpayers; standard deduction; personal exemptions; amending K.S.A. 79-

32,109 and K.S.A. 2003 Supp. 79-32,110, 79-32,119 and 79-32,121 and repealing the existing sections, by Committee on Taxation.

**HB 2924.** An act concerning sales taxation; relating to contractors and subcontractors; amending K.S.A. 2003 Supp. 79-3602, 79-3603 and 79-3606 and repealing the existing sections; also repealing K.S.A. 2003 Supp. 79-3603c, by Committee on Taxation.

**REPORT ON ENGROSSED BILLS**

**HB 2599** reported correctly engrossed March 8, 2004.

On motion of Rep. Aurand, the House adjourned until 10:30 a.m., Wednesday, March 10, 2004.

JANET E. JONES, *Chief Clerk.*

CHARLENE SWANSON, *Journal Clerk.*

