

**HOUSE BILL No. 2269**

By Committee on Education

2-10

1 AN ACT concerning school districts; relating to school finance;  
2 amending K.S.A. 72-6410, 72-6415b, 72-6431, 72-6433, 72-6435, 72-  
3 6449 and 72-6451 and repealing the existing sections; also repealing  
4 K.S.A. 2010 Supp. 72-6442b.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 New Section 1. (a) (1) The board of education of each school  
8 district shall levy an ad valorem tax upon the taxable tangible property of  
9 the district in the school years specified in K.S.A. 72-6431, and  
10 amendments thereto, for the purpose of:

11 (A) Financing the local foundation budget of the school district. The  
12 local foundation budget shall be that portion of the district's general fund  
13 budget which is not financed from any other source provided by law;

14 (B) paying a portion of the costs of operating and maintaining public  
15 schools in the district; and

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

22 (2) The local foundation budget of each school district shall be  
23 determined by the state board as follows:

24 (A) In school districts which adopt a local option budget under  
25 K.S.A. 2010 Supp. 72-6433d, and amendments thereto, the state board  
26 shall:

27 (i) Determine the adjusted enrollment of the school district;

28 (ii) multiply the number determined under clause (i) by \$4,433;

29 (iii) add the amount of state aid for special education or related  
30 services received by the school district in school year 2008-2009 to the  
31 product obtained under clause (ii); and

32 (iv) multiply the sum obtained under clause (iii) by .10. The  
33 resulting product is the local foundation budget of the school district.

34 (B) In school districts which adopt a local option budget under  
35 K.S.A. 2010 Supp. 72-6433, and amendments thereto, the state board  
36 shall:

- 1 (i) Determine the adjusted enrollment of the school district;
- 2 (ii) multiply the number determined under clause (i) by the base  
3 state aid per pupil; and
- 4 (iii) multiply the sum obtained under clause (ii) by .10. The resulting  
5 product is the local foundation budget of the school district.
- 6 (3) The proceeds from the tax levied by a district under authority of  
7 this subsection, except the proceeds of such tax levied for the purpose of  
8 paying a portion of the principal and interest on bonds issued by cities  
9 under authority of K.S.A. 12-1774, and amendments thereto, for the  
10 financing of redevelopment projects upon property located within the  
11 district, shall be deposited in the general fund of the district.
- 12 (4) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-  
13 1964b, and amendments thereto.
- 14 (b) (1) In each school year, each district is eligible for state aid for  
15 levies imposed pursuant to subsection (a) in an amount determined by the  
16 state board as provided in this subsection. The state board shall:
- 17 (A) Determine the amount of the assessed valuation per pupil in the  
18 preceding school year of each district in the state;
- 19 (B) rank the districts from low to high on the basis of the amounts of  
20 assessed valuation per pupil determined under subparagraph (A);
- 21 (C) identify the amount of the assessed valuation per pupil located at  
22 the 81.2 percentile of the amounts ranked under subparagraph (B);
- 23 (D) divide the assessed valuation per pupil of the district in the  
24 preceding school year by the amount identified under subparagraph (C);  
25 and
- 26 (E) (i) If the quotient obtained under subparagraph (D) is less than  
27 1.0, the state board shall subtract the quotient obtained under  
28 subparagraph (D) from 1.0 and multiply the difference by the amount  
29 obtained under subsection (a)(2). The resulting product is the amount of  
30 school district foundation state aid the district is entitled to receive for the  
31 school year.
- 32 (ii) If the quotient obtained under subparagraph (D) equals or  
33 exceeds 1.0, the eligibility of the district for entitlement to school district  
34 foundation state aid shall lapse.
- 35 (2) If the amount of appropriations for such state aid is less than the  
36 amount each district is entitled to receive for the school year, the state  
37 board shall prorate the amount appropriated among the districts in  
38 proportion to the amount each district is entitled to receive.
- 39 (3) The state board shall prescribe the dates upon which the  
40 distribution of payments of state aid to school districts shall be due.  
41 Payments of state aid shall be distributed to districts on the dates  
42 prescribed by the state board. The state board shall certify to the director  
43 of accounts and reports the amount due each district, and the director of

1 accounts and reports shall draw a warrant on the state treasurer payable to  
2 the treasurer of the district. Upon receipt of the warrant, the treasurer of  
3 the district shall credit the amount thereof to the general fund of the  
4 district to be used for the purposes of such fund.

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

13 (5) Moneys received as state aid under this subsection shall be used  
14 solely to meet the requirements under the school performance  
15 accreditation system adopted by the state board, to provide programs and  
16 services required by law and to improve student performance.

17 (c) For the purposes of determining the total amount of state moneys  
18 paid to school districts, all moneys derived from the levy imposed  
19 pursuant to subsection (a) and all state aid paid pursuant to subsection (b)  
20 shall be deemed to be state moneys for educational and support services  
21 for school districts.

22 Sec. 2. K.S.A. 2010 Supp. 72-6410 is hereby amended to read as  
23 follows: 72-6410. (a) "State financial aid" means an amount equal to 90%  
24 of the product obtained by multiplying base state aid per pupil by the  
25 adjusted enrollment of a district.

26 (b) (1) "Base state aid per pupil" means an amount of state financial  
27 aid per pupil. Subject to the other provisions of this subsection, the  
28 amount of base state aid per pupil is ~~\$4,433 in school year 2008-2009 and~~  
29 ~~\$4,492 in school year 2009-2010 and each school year thereafter. \$4,991.~~

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

38 (c) "Local effort" means the sum of:

39 (1) An amount equal to the proceeds from the tax levied under  
40 authority of K.S.A. 72-6431, and amendments thereto; ~~and~~ ;

41 (2) an amount equal to any unexpended and unencumbered balance  
42 remaining in the general fund of the district, except amounts received by  
43 the district and authorized to be expended for the purposes specified in

- 1 K.S.A. 72-6430, and amendments thereto, ~~and~~ ;
- 2 (3) an amount equal to any unexpended and unencumbered balances  
3 remaining in the program weighted funds of the district, except any  
4 amount in the vocational education fund of the district if the district is  
5 operating an area vocational school, ~~and~~ ;
- 6 (4) an amount equal to any remaining proceeds from taxes levied  
7 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,  
8 prior to the repeal of such statutory sections, ~~and~~ ;
- 9 (5) an amount equal to the amount deposited in the general fund in  
10 the current school year from amounts received in such year by the district  
11 under the provisions of subsection (a) of K.S.A. 72-1046a, and  
12 amendments thereto, ~~and~~ ;
- 13 (6) an amount equal to the amount deposited in the general fund in  
14 the current school year from amounts received in such year by the district  
15 pursuant to contracts made and entered into under authority of K.S.A. 72-  
16 6757, and amendments thereto, ~~and~~ ;
- 17 (7) an amount equal to the amount credited to the general fund in the  
18 current school year from amounts distributed in such year to the district  
19 under the provisions of articles 17 and 34 of chapter 12 of Kansas  
20 Statutes Annotated ~~and under the provisions of articles 42 and 51 of~~  
21 ~~chapter 79 of Kansas Statutes Annotated, and~~ ;
- 22 (8) an amount equal to the amount of payments received by the  
23 district under the provisions of K.S.A. 72-979, and amendments thereto,  
24 ~~and~~ ;
- 25 (9) *an amount equal to the amount of payments received by the*  
26 *district under the provisions of K.S.A. 79-998, and amendments thereto;*
- 27 (10) an amount equal to the amount of a grant, if any, received by  
28 the district under the provisions of K.S.A. 72-983, and amendments  
29 thereto, ; and
- 30 (11) an amount equal to 70% of the federal impact aid of the district.
- 31 (d) "Federal impact aid" means an amount equal to the federally  
32 qualified percentage of the amount of moneys a district receives in the  
33 current school year under the provisions of title I of public law 874 and  
34 congressional appropriations therefor, excluding amounts received for  
35 assistance in cases of major disaster and amounts received under the low-  
36 rent housing program. The amount of federal impact aid defined herein as  
37 an amount equal to the federally qualified percentage of the amount of  
38 moneys provided for the district under title I of public law 874 shall be  
39 determined by the state board in accordance with terms and conditions  
40 imposed under the provisions of the public law and rules and regulations  
41 thereunder.
- 42 Sec. 3. K.S.A. 2010 Supp. 72-6415b is hereby amended to read as  
43 follows: 72-6415b. School facilities weighting may be assigned to

1 enrollment of a district only if the district has adopted a local option  
2 budget in an amount equal to at least ~~25%~~ 17% of the *sum obtained by*  
3 *adding the amount of the state financial aid determined for of the district*  
4 *in and the amount of the local foundation budget for* the current school  
5 year. School facilities weighting may be assigned to enrollment of the  
6 district only in the school year in which operation of a new school facility  
7 is commenced and in the next succeeding school year.

8 Sec. 4. K.S.A. 2010 Supp. 72-6431 is hereby amended to read as  
9 follows: 72-6431. (a) The board of each district shall levy an ad valorem  
10 tax upon the taxable tangible property of the district in the school years  
11 specified in subsection (b) for the purpose of:

12 (1) *Financing the state-level foundation obligation. The state-level*  
13 *foundation obligation shall be that portion of the district's general fund*  
14 *budget which is not financed from any other source provided by law;*

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

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

24 (b) The tax required under subsection (a) shall be levied at a rate of  
25 20 mills in the school year 2009-2010 and school year 2010-2011.

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

32 (d) On June 6 of each year, the amount, if any, by which a district's  
33 local effort exceeds the amount of the district's state financial aid, as  
34 determined by the state board, shall be remitted to the state treasurer.  
35 Upon receipt of any such remittance, the state treasurer shall deposit the  
36 same in the state treasury to the credit of the state school district finance  
37 fund.

38 (e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-  
39 1964b, and amendments thereto.

40 Sec. 5. K.S.A. 2010 Supp. 72-6433 is hereby amended to read as  
41 follows: 72-6433. (a) As used in this section:

42 (1) "State prescribed percentage" means ~~31%~~ 18% of ~~state financial~~  
43 ~~aid of the district in the current school year.~~ *the foundation funding.*

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

5 (3) "Foundation funding" means the sum obtained by adding the  
6 amount of the state-level foundation obligation and the local foundation  
7 budget.

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

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

13 (1) (A) The amount which the board was authorized to adopt in  
14 accordance with the provisions of this section in effect prior to its  
15 amendment by this act; plus

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

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

20 (2) the state-wide average for the preceding school year as  
21 determined by the state board pursuant to subsection (j).

22 Except as provided by subsection (e), the adoption of a resolution  
23 pursuant to this subsection shall require a majority vote of the members  
24 of the board. Such resolution shall be effective upon adoption and shall  
25 require no other procedure, authorization or approval.

26 (d) If the board of a district desires to increase its local option  
27 budget authority above the amount authorized under subsection (c) or if  
28 the board was not authorized to adopt a local option budget in 2006-2007,  
29 the board may adopt, by resolution, such budget in an amount not to  
30 exceed the state prescribed percentage. The adoption of a resolution  
31 pursuant to this subsection shall require a majority vote of the members  
32 of the board. The resolution shall be published at least once in a  
33 newspaper having general circulation in the district. The resolution shall  
34 be published in substantial compliance with the following form:  
35

36 Unified School District No. \_\_\_\_\_,  
37 \_\_\_\_\_ County, Kansas.  
38

39 RESOLUTION

40 Be It Resolved that:

41 The board of education of the above-named school district shall be  
42 authorized to adopt a local option budget in each school year in an  
43 amount not to exceed \_\_\_\_% of the ~~amount of state financial aid.~~

1 *foundation funding*. The local option budget authorized by this resolution  
 2 may be adopted, unless a petition in opposition to the same, signed by not  
 3 less than 5% of the qualified electors of the school district, is filed with  
 4 the county election officer of the home county of the school district  
 5 within 30 days after publication of this resolution. If a petition is filed, the  
 6 county election officer shall submit the question of whether adoption of  
 7 the local option budget shall be authorized to the electors of the school  
 8 district at an election called for the purpose or at the next general election,  
 9 as is specified by the board of education of the school district.

10  
 11  
 12 CERTIFICATE

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

16  
 17 \_\_\_\_\_  
 18 Clerk of the board of education.

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

30 (e) (1) Any resolution authorizing the adoption of a local option  
 31 budget in excess of ~~30%~~ 17% of the ~~state financial aid of the district in~~  
 32 ~~the current school year~~ *foundation funding* shall not become effective  
 33 unless such resolution has been submitted to and approved by a majority  
 34 of the qualified electors of the school district voting at an election called  
 35 and held thereon. The election shall be called and held in the manner  
 36 provided by K.S.A. 10-120, and amendments thereto.

37 (2) *If a school district adopted a resolution authorizing the adoption*  
 38 *of a local option budget in excess of 30% of the state financial aid, as*  
 39 *that term was defined prior to the effective date of this act, of the district*  
 40 *and such resolution was submitted to and approved by a majority of the*  
 41 *qualified electors of the district voting at an election called and held*  
 42 *thereon prior to the effective date of this act, such district may adopt a*  
 43 *local option budget in excess of the amount provided by paragraph (1) of*  
*this subsection without submitting the resolution to an election. In no*

1 *case shall the district adopt a resolution authorizing the adoption of a*  
2 *local option budget in excess of 18% of the foundation funding.*

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

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

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

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

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

37 (2) Subject to the limitation imposed under paragraph (3) and  
38 subsection (e) of K.S.A. 72-6434, and amendments thereto, amounts in  
39 the supplemental general fund may be expended for any purpose for  
40 which expenditures from the general fund are authorized or may be  
41 transferred to any program weighted fund or categorical fund of the  
42 district. Amounts in the supplemental general fund attributable to any  
43 percentage over ~~25%~~ 17% of state financial aid determined for the current

1 ~~school year~~ *the foundation funding* may be transferred to the capital  
2 improvements fund of the district and the capital outlay fund of the  
3 district if such transfers are specified in the resolution authorizing the  
4 adoption of a local option budget in excess of ~~25%~~ 17%.

5 (3) Amounts in the supplemental general fund may not be expended  
6 for the purpose of making payments under any lease-purchase agreement  
7 involving the acquisition of land or buildings which is entered into  
8 pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

9 (4) (A) Except as provided in paragraph (B), any unexpended budget  
10 remaining in the supplemental general fund of a district at the conclusion  
11 of any school year in which a local option budget is adopted shall be  
12 maintained in such fund.

13 (B) If the district received supplemental general state aid in the  
14 school year, the state board shall determine the ratio of the amount of  
15 supplemental general state aid received to the amount of the local option  
16 budget of the district for the school year and multiply the total amount of  
17 the unexpended budget remaining by such ratio. An amount equal to the  
18 amount of the product shall be transferred to the general fund of the  
19 district or remitted to the state treasurer. Upon receipt of any such  
20 remittance, the state treasurer shall deposit the same in the state treasury  
21 to the credit of the state school district finance fund.

22 (k) Each year the state board of education shall determine the  
23 statewide average percentage of local option budgets legally adopted by  
24 school districts for the preceding school year.

25 *(l) In school year 2011-2012, a school district may adopt a local*  
26 *option budget in an amount equal to the amount of the local option*  
27 *budget the district was authorized to adopt in school year 2010-2011 less*  
28 *an amount equal to the local foundation budget of the school district. To*  
29 *the extent the provisions of this subsection conflict with any other*  
30 *provisions of this section, this subsection shall control.*

31 ~~(+)~~ (m) The provisions of this section shall be subject to the  
32 provisions of K.S.A. 2010 Supp. 72-6433d, and amendments thereto.

33 Sec. 6. K.S.A. 2010 Supp. 72-6435 is hereby amended to read as  
34 follows: 72-6435. (a) In each school year, the board of every district that  
35 has adopted a local option budget may levy an ad valorem tax on the  
36 taxable tangible property of the district for the purpose of: (1) Financing  
37 that portion of the district's local option budget which is not financed  
38 from any other source provided by law; (2) paying a portion of the  
39 principal and interest on bonds issued by cities under authority of K.S.A.  
40 12-1774, and amendments thereto, for the financing of redevelopment  
41 projects upon property located within the district; and (3) funding  
42 transfers to the capital improvement fund of the district and the capital  
43 outlay fund of the district if such transfers are specified in the resolution

1 authorizing the adoption of a local option budget in excess of ~~25%~~ 17%  
2 of ~~state financial aid determined for the current school year.~~ *the*  
3 *foundation funding.*

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

10 (c) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-  
11 1964b, and amendments to such sections.

12 Sec. 7. K.S.A. 2010 Supp. 72-6449 is hereby amended to read as  
13 follows: 72-6449. (a) As used in this section, "school district" or "district"  
14 means a school district authorized to make a levy under this section.

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

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

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

33 (2) multiply the amount determined under *paragraph* (1) by 1.25;

34 (3) determine the average appraised value of single family  
35 residences in each school district for the calendar year preceding the  
36 current school year; and

37 (4) (A) subtract the amount determined under *paragraph* (2) from  
38 the amount determined under *paragraph* (3). If the amount determined  
39 for the district under this paragraph is a positive number and the district is  
40 authorized to adopt and has adopted a local option budget in an amount  
41 equal to at least ~~31%~~ 18% of the ~~state financial aid for the school district~~  
42 *foundation funding*, the district qualifies for assignment of cost of living  
43 weighting and may levy a tax on the taxable tangible property of the

1 district for the purpose of financing the costs that are attributable directly  
2 to assignment of the cost of living weighting to enrollment of the district;  
3 or

4 (B) As an alternative to the authority provided in paragraph (4)(A),  
5 if a district was authorized to make a levy pursuant to this section in  
6 school year 2006-2007, such district shall remain authorized to levy such  
7 tax at a rate necessary to generate revenue in the same amount generated  
8 in school year 2006-2007 if: (i) The amount determined under paragraph  
9 (4)(A) is a positive number; and (ii) the district continues to adopt a local  
10 option budget in an amount equal to ~~the state prescribed percentage in~~  
11 ~~effect in school year 2006-2007~~ *17% of the foundation funding.*

12 (d) No tax may be levied under this section unless the board of  
13 education adopts a resolution authorizing such a tax levy and publishes  
14 the resolution at least once in a newspaper having general circulation in  
15 the district. Except as provided by subsection (e), the resolution shall be  
16 published in substantial compliance with the following form:

17 Unified School District No. \_\_\_\_\_,  
18 \_\_\_\_\_ County, Kansas.  
19

20 RESOLUTION

21 Be It Resolved that:

22 The board of education of the above-named school district shall be  
23 authorized to levy an ad valorem tax in an amount not to exceed the  
24 amount necessary to finance the costs attributable directly to the  
25 assignment of cost of living weighting to the enrollment of the district.  
26 The ad valorem tax authorized by this resolution may be levied unless a  
27 petition in opposition to the same, signed by not less than 5% of the  
28 qualified electors of the school district, is filed with the county election  
29 officer of the home county of the school district within 30 days after the  
30 publication of this resolution. If a petition is filed, the county election  
31 officer shall submit the question of whether the levy of such a tax shall be  
32 authorized in accordance with the provisions of this resolution to the  
33 electors of the school district at the next general election of the school  
34 district, as is specified by the board of education of the school district.  
35

36 CERTIFICATE

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

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

42 All of the blanks in the resolution shall be filled. If no petition as  
43 specified above is filed in accordance with the provisions of the

1 resolution, the resolution authorizing the ad valorem tax levy shall  
2 become effective. If a petition is filed as provided in the resolution, the  
3 board may notify the county election officer to submit the question of  
4 whether such tax levy shall be authorized. If the board fails to notify the  
5 county election officer within 30 days after a petition is filed, the  
6 resolution shall be deemed abandoned and of no force and effect and no  
7 like resolution shall be adopted by the board within the nine months  
8 following publication of the resolution. If a majority of the votes cast in  
9 an election conducted pursuant to this provision are in favor of the  
10 resolution, such resolution shall be effective on the date of such election.  
11 If a majority of the votes cast are not in favor of the resolution, the  
12 resolution shall be deemed of no effect and no like resolution shall be  
13 adopted by the board within the nine months following such election.

14 Sec. 8. K.S.A. 2010 Supp. 72-6451 is hereby amended to read as  
15 follows: 72-6451. (a) As used in this section:

16 (1) "School district" or "district" means a school district which: (A)  
17 Has a declining enrollment; and (B) has adopted a local option budget in  
18 an amount which equals at least ~~31%~~ 18% of the ~~state financial aid for~~  
19 ~~the school district~~ *foundation funding* at the time the district applies to the  
20 state court of tax appeals for authority to make a levy pursuant to this  
21 section.

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

24 (b) (1) (A) A school district may levy an ad valorem tax on the  
25 taxable tangible property of the district each year for a period of time not  
26 to exceed two years in an amount not to exceed the amount authorized by  
27 the state court of tax appeals under this subsection for the purpose of  
28 financing the costs incurred by the state that are directly attributable to  
29 assignment of declining enrollment weighting to enrollment of the  
30 district. The state court of tax appeals may authorize the district to make a  
31 levy which will produce an amount that is not greater than the amount of  
32 revenues lost as a result of the declining enrollment of the district. Such  
33 amount shall not exceed 5% of the general fund budget of the district in  
34 the school year in which the district applies to the state court of tax  
35 appeals for authority to make a levy pursuant to this section.

36 (B) As an alternative to the authority provided in paragraph (1)(A),  
37 if a district was authorized to make a levy pursuant to this section in  
38 school year 2006-2007, such district shall remain authorized to make a  
39 levy at a rate necessary to generate revenue in the same amount that was  
40 generated in school year 2007-2008 if the district adopts a local option  
41 budget in an amount equal to the state prescribed percentage in effect in  
42 school year 2006-2007.

43 (2) The state court of tax appeals shall certify to the state board the

1 amount authorized to be produced by the levy of a tax under this section.

2 (3) The state board shall prescribe guidelines for the data that school  
3 districts shall include in cases before the state court of tax appeals  
4 pursuant to this section.

5 (c) A district may levy the tax authorized pursuant to this section for  
6 a period of time not to exceed two years unless authority to make such  
7 levy is renewed by the state court of tax appeals. The state court of tax  
8 appeals may renew the authority to make such levy for periods of time  
9 not to exceed two years.

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

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

23 Sec. 9. K.S.A. 72-6410, 72-6415b, 72-6431, 72-6433, 72-6435, 72-  
24 6449 and 72-6451 and K.S.A. 2010 Supp. 72-6442b are hereby repealed.

25 Sec. 10. This act shall take effect and be in force from and after its  
26 publication in the statute book.