

[As Further Amended by House Committee of the Whole]

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Session of 2011

## HOUSE BILL No. 2269

By Committee on Education

2-10

1 AN ACT concerning school districts; relating to school finance; amending  
2 K.S.A. 72-6410, 72-6415b, 72-6431, 72-6433, 72-6435, 72-6449 and  
3 72-6451 and repealing the existing sections; also repealing K.S.A. 2010  
4 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, paying~~  
18 ~~a portion of the principal and interest on bonds issued by cities under~~  
19 ~~authority of K.S.A. 12-1774, and amendments thereto, for the financing of~~  
20 ~~redevelopment projects upon property located within the district.~~

21 **(2) [In each school year, the board of education of each school**  
22 **district shall adopt a local foundation budget.]** The local foundation  
23 budget of each school district shall be determined by the state board as  
24 follows:

25 **(A)[(1)]** In school districts which adopt a local option budget under  
26 K.S.A. 2010 Supp. 72-6433d, and amendments thereto, the state board  
27 shall:

28 **(i)[(A)]** Determine the adjusted enrollment of the school district;

29 **(ii)[(B)]** multiply the number determined under clause **(i)[(A)]** by  
30 \$4,433;

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

4 (iv)(D) divide the sum obtained under clause (iii)(C) by .90;  
5 and

6 (iv) (v)(E) multiply the sum obtained under clause (iii) (iv)(D)  
7 by .10. The resulting product is the local foundation budget of the school  
8 district.

9 (B)(2) In school districts which adopt a local option budget under  
10 K.S.A. 2010 Supp. 72-6433, and amendments thereto, the state board  
11 shall:

12 (i)(A) Determine the adjusted enrollment of the school district;

13 (ii)(B) multiply the number determined under clause (i)(A) by the  
14 base state aid per pupil; and

15 (iii)(C) multiply the sum obtained under clause (ii)(B) by .10. The  
16 resulting product is the local foundation budget of the school district.

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

23 (4) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-  
24 1964b, and amendments thereto:

25 (b) (1) In each school year, each district is eligible for state aid for  
26 levies imposed pursuant to subsection (a) in an amount determined by the  
27 state board as provided in this subsection. The state board shall:

28 (A) Determine the amount of the assessed valuation per pupil in the  
29 preceding school year of each district in the state;

30 (B) rank the districts from low to high on the basis of the amounts of  
31 assessed valuation per pupil determined under subparagraph (A);

32 (C) identify the amount of the assessed valuation per pupil located at  
33 the 81.2 percentile of the amounts ranked under subparagraph (B);

34 (D) divide the assessed valuation per pupil of the district in the  
35 preceding school year by the amount identified under subparagraph (C);  
36 and

37 (E) (i) If the quotient obtained under subparagraph (D) is less than  
38 1.0, the state board shall subtract the quotient obtained under subparagraph  
39 (D) from 1.0 and multiply the difference by the amount obtained under  
40 subsection (a)(2). The resulting product is the amount of school district  
41 foundation state aid the district is entitled to receive for the school year.

42 (ii) If the quotient obtained under subparagraph (D) equals or exceeds  
43 1.0, the eligibility of the district for entitlement to school district

1 foundation state aid shall lapse.

2 (2) ~~If the amount of appropriations for such state aid is less than the~~  
3 ~~amount each district is entitled to receive for the school year, the state~~  
4 ~~board shall prorate the amount appropriated among the districts in~~  
5 ~~proportion to the amount each district is entitled to receive.~~

6 (3) ~~The state board shall prescribe the dates upon which the~~  
7 ~~distribution of payments of state aid to school districts shall be due.~~  
8 ~~Payments of state aid shall be distributed to districts on the dates~~  
9 ~~prescribed by the state board. The state board shall certify to the director of~~  
10 ~~accounts and reports the amount due each district, and the director of~~  
11 ~~accounts and reports shall draw a warrant on the state treasurer payable to~~  
12 ~~the treasurer of the district. Upon receipt of the warrant, the treasurer of~~  
13 ~~the district shall credit the amount thereof to the general fund of the district~~  
14 ~~to be used for the purposes of such fund.~~

15 (4) ~~If any amount of state aid that is due to be paid during the month~~  
16 ~~of June of a school year pursuant to the other provisions of this section is~~  
17 ~~not paid on or before June 30 of such school year, then such payment shall~~  
18 ~~be paid on or after the ensuing July 1, as soon as moneys are available~~  
19 ~~therefor. Any payment of state aid that is due to be paid during the month~~  
20 ~~of June of a school year and that is paid to school districts on or after the~~  
21 ~~ensuing July 1 shall be recorded and accounted for by school districts as a~~  
22 ~~receipt for the school year ending on the preceding June 30.~~

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

27 (e) ~~For the purposes of determining the total amount of state moneys~~  
28 ~~paid to school districts, all moneys derived from the levy imposed~~  
29 ~~pursuant to subsection (a) and all state aid paid pursuant to subsection (b)~~  
30 ~~shall be deemed to be state moneys for educational and support services~~  
31 ~~for school districts.~~

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

36 (b) (1) "Base state aid per pupil" means an amount of state financial  
37 aid per pupil. Subject to the other provisions of this subsection, the amount  
38 of base state aid per pupil is \$4,433 in school year 2008-2009 and \$4,492  
39 in school year 2009-2010 and each school year thereafter. \$4,991 [**\$4,200**].

40 (2) The amount of base state aid per pupil is subject to reduction  
41 commensurate with any reduction under K.S.A. 75-6704, and amendments  
42 thereto, in the amount of the appropriation from the state general fund for  
43 general state aid. If the amount of appropriations for general state aid is

1 insufficient to pay in full the amount each district is entitled to receive for  
2 any school year, the amount of base state aid per pupil for such school year  
3 is subject to reduction commensurate with the amount of the insufficiency.

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

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

7 (2) an amount equal to any unexpended and unencumbered balance  
8 remaining in the general fund of the district, except amounts received by  
9 the district and authorized to be expended for the purposes specified in  
10 K.S.A. 72-6430, and amendments thereto, ~~and~~ ;

11 (3) an amount equal to any unexpended and unencumbered balances  
12 remaining in the program weighted funds of the district, except any  
13 amount in the vocational education fund of the district if the district is  
14 operating an area vocational school, ~~and~~ ;

15 (4) an amount equal to any remaining proceeds from taxes levied  
16 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,  
17 prior to the repeal of such statutory sections, ~~and~~ ;

18 (5) an amount equal to the amount deposited in the general fund in  
19 the current school year from amounts received in such year by the district  
20 under the provisions of subsection (a) of K.S.A. 72-1046a, and  
21 amendments thereto, ~~and~~ ;

22 (6) an amount equal to the amount deposited in the general fund in  
23 the current school year from amounts received in such year by the district  
24 pursuant to contracts made and entered into under authority of K.S.A. 72-  
25 6757, and amendments thereto, ~~and~~ ;

26 (7) an amount equal to the amount credited to the general fund in the  
27 current school year from amounts distributed in such year to the district  
28 under the provisions of articles 17 and 34 of chapter 12 of Kansas Statutes  
29 Annotated ~~and under the provisions of articles 42 and 51 of chapter 79 of~~  
30 ~~Kansas Statutes Annotated, and~~ ;

31 (8) an amount equal to the amount of payments received by the  
32 district under the provisions of K.S.A. 72-979, and amendments thereto,  
33 ~~and~~ ;

34 (9) *an amount equal to the amount of payments received by the*  
35 *district under the provisions of K.S.A. 79-998*~~72-998~~, *and amendments*  
36 *thereto;*

37 (10) an amount equal to the amount of a grant, if any, received by the  
38 district under the provisions of K.S.A. 72-983, and amendments thereto; ;  
39 and

40 (11) an amount equal to 70% of the federal impact aid of the district.

41 (d) "Federal impact aid" means an amount equal to the federally  
42 qualified percentage of the amount of moneys a district receives in the  
43 current school year under the provisions of title I of public law 874 and

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

9 Sec. 3. K.S.A. 2010 Supp. 72-6415b is hereby amended to read as  
10 follows: 72-6415b. School facilities weighting may be assigned to  
11 enrollment of a district only if the district has adopted a local option  
12 budget in an amount equal to at least ~~25%~~ 17% of the *sum obtained by*  
13 *adding the amount of the state financial aid* ~~determined for~~ *of* the district ~~in~~  
14 *and the amount of the local foundation budget for* the current school year.  
15 School facilities weighting may be assigned to enrollment of the district  
16 only in the school year in which operation of a new school facility is  
17 commenced and in the next succeeding school year.

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

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

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

28 (3) with respect to any redevelopment district established prior to July  
29 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a  
30 portion of the principal and interest on bonds issued by cities under  
31 authority of K.S.A. 12-1774, and amendments thereto, for the financing of  
32 redevelopment projects upon property located within the district.

33 (b) The tax required under subsection (a) shall be levied at a rate of  
34 20 mills in the school year 2009-2010 and school year 2010-2011.

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

41 (d) On June 6 of each year, the amount, if any, by which a district's  
42 local effort exceeds the amount of the district's state financial aid, as  
43 determined by the state board, shall be remitted to the state treasurer. Upon

1 receipt of any such remittance, the state treasurer shall deposit the same in  
2 the state treasury to the credit of the state school district finance fund.

3 (e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-  
4 1964b, and amendments thereto.

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

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

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

13 (3) *"Foundation funding" means the sum obtained by adding the*  
14 *amount of the state-level foundation obligation and the local foundation*  
15 *budget.*

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

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

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

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

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

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

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

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

1 Unified School District No. \_\_\_\_\_,  
2 \_\_\_\_\_ County, Kansas.  
3

4 RESOLUTION

5 Be It Resolved that:

6 The board of education of the above-named school district shall be  
7 authorized to adopt a local option budget in each school year in an amount  
8 not to exceed \_\_\_\_% of the ~~amount of state financial aid~~ *foundation*  
9 *funding*. The local option budget authorized by this resolution may be  
10 adopted, unless a petition in opposition to the same, signed by not less than  
11 5% of the qualified electors of the school district, is filed with the county  
12 election officer of the home county of the school district within 30 days  
13 after publication of this resolution. If a petition is filed, the county election  
14 officer shall submit the question of whether adoption of the local option  
15 budget shall be authorized to the electors of the school district at an  
16 election called for the purpose or at the next general election, as is  
17 specified by the board of education of the school district.  
18  
19

20 CERTIFICATE

21 This is to certify that the above resolution was duly adopted by the  
22 board of education of unified School District No. \_\_\_\_\_,  
23 \_\_\_\_\_ County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.  
24

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

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

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

1       (2) *If a school district adopted a resolution authorizing the adoption*  
2 *of a local option budget in excess of 30% of the state financial aid, as that*  
3 *term was defined prior to the effective date of this act, of the district and*  
4 *such resolution was submitted to and approved by a majority of the*  
5 *qualified electors of the district voting at an election called and held*  
6 *thereon prior to the effective date of this act, such district may adopt a*  
7 *local option budget in excess of the amount provided by paragraph (1) of*  
8 *this subsection without submitting the resolution to an election. In no case*  
9 *shall the district adopt a resolution authorizing the adoption of a local*  
10 *option budget in excess of 18% of the foundation funding.*

11       (f) Unless specifically stated otherwise in the resolution, the authority  
12 to adopt a local option budget shall be continuous and permanent. The  
13 board of any district which is authorized to adopt a local option budget  
14 may choose not to adopt such a budget or may adopt a budget in an  
15 amount less than the amount authorized. If the board of any district whose  
16 authority to adopt a local option budget is not continuous and permanent  
17 refrains from adopting a local option budget, the authority of such district  
18 to adopt a local option budget shall not be extended by such refrainment  
19 beyond the period specified in the resolution authorizing adoption of such  
20 budget.

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

26       (h) The board of any district that is authorized to adopt a local option  
27 budget prior to the effective date of this act under a resolution which  
28 authorized the adoption of such budget in accordance with the provisions  
29 of this section in effect prior to its amendment by this act may continue to  
30 operate under such resolution for the period of time specified in the  
31 resolution or may abandon the resolution and operate under the provisions  
32 of this section as amended by this act. Any such district shall operate under  
33 the provisions of this section as amended by this act after the period of  
34 time specified in the resolution has expired.

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

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

1 according to law.

2 (2) Subject to the limitation imposed under paragraph (3) and  
3 subsection (e) of K.S.A. 72-6434, and amendments thereto, amounts in the  
4 supplemental general fund may be expended for any purpose for which  
5 expenditures from the general fund are authorized or may be transferred to  
6 any program weighted fund or categorical fund of the district. Amounts in  
7 the supplemental general fund attributable to any percentage over ~~25%~~  
8 ~~17% of state financial aid determined for the current school year~~ *the*  
9 *foundation funding* may be transferred to the capital improvements fund of  
10 the district and the capital outlay fund of the district if such transfers are  
11 specified in the resolution authorizing the adoption of a local option  
12 budget in excess of ~~25%~~ *17%*.

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

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

21 (B) If the district received supplemental general state aid in the  
22 school year, the state board shall determine the ratio of the amount of  
23 supplemental general state aid received to the amount of the local option  
24 budget of the district for the school year and multiply the total amount of  
25 the unexpended budget remaining by such ratio. An amount equal to the  
26 amount of the product shall be transferred to the general fund of the  
27 district or remitted to the state treasurer. Upon receipt of any such  
28 remittance, the state treasurer shall deposit the same in the state treasury to  
29 the credit of the state school district finance fund.

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

33 *(l) In school year 2011-2012, a school district may adopt a local*  
34 *option budget in an amount equal to the amount of the local option budget*  
35 *the district was authorized to adopt in school year 2010-2011 less an*  
36 *amount equal to the local foundation budget of the school district. To the*  
37 *extent the provisions of this subsection conflict with any other provisions*  
38 *of this section, this subsection shall control.*

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

41 Sec. 6. K.S.A. 2010 Supp. 72-6435 is hereby amended to read as  
42 follows: 72-6435. (a) In each school year, the board of every district that  
43 has adopted a local option budget may levy an ad valorem tax on the

1 taxable tangible property of the district for the purpose of: (1) Financing  
2 that portion of the district's local option budget which is not financed from  
3 any other source provided by law; (2)**financing that portion of the**  
4 **district's local foundation budget which is not financed from any other**  
5 **source provided by law; (3)]** paying a portion of the principal and interest  
6 on bonds issued by cities under authority of K.S.A. 12-1774, and  
7 amendments thereto, for the financing of redevelopment projects upon  
8 property located within the district; and ~~(3)]~~**(4)]** funding transfers to the  
9 capital improvement fund of the district and the capital outlay fund of the  
10 district if such transfers are specified in the resolution authorizing the  
11 adoption of a local option budget in excess of ~~25%~~ 17% of ~~state financial~~  
12 ~~aid determined for the current school year.~~ *the foundation funding.*

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

19 **[(c) In the school years specified in K.S.A. 72-6431, and**  
20 **amendments thereto, upon deposit of the proceeds from the tax levied**  
21 **pursuant to this section in the supplemental general fund, an amount**  
22 **equal to the local foundation budget, as established in section 1, and**  
23 **amendments thereto, shall be transferred to the general fund of the**  
24 **district. Such transfer shall be deemed a reimbursement of general**  
25 **operating expenses.]**

26 ~~(e)]~~**(d)]** No district shall proceed under K.S.A. 79-1964, 79-1964a or  
27 79-1964b, and amendments to such sections.

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

31 (b) The board of education of any district may levy a tax on the  
32 taxable tangible property within the district for the purpose of financing  
33 the costs incurred by the state that are attributable directly to assignment of  
34 the cost of living weighting to the enrollment of the district. There is  
35 hereby established in every school district a fund which shall be called the  
36 cost of living fund, which fund shall consist of all moneys deposited  
37 therein or transferred thereto in accordance with law. All moneys derived  
38 from a tax imposed pursuant to this section shall be credited to the cost of  
39 living fund. The proceeds from the tax levied by a district credited to the  
40 cost of living fund shall be remitted to the state treasurer in accordance  
41 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
42 receipt of each such remittance, the state treasurer shall deposit the entire  
43 amount in the state treasury to the credit of the state school district finance

1 fund.

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

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

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

7 (3) determine the average appraised value of single family residences  
8 in each school district for the calendar year preceding the current school  
9 year; and

10 (4) (A) subtract the amount determined under *paragraph* (2) from the  
11 amount determined under *paragraph* (3). If the amount determined for the  
12 district under this paragraph is a positive number and the district is  
13 authorized to adopt and has adopted a local option budget in an amount  
14 equal to at least ~~31%~~ 18% of the ~~state financial aid for the school district~~  
15 *foundation funding*, the district qualifies for assignment of cost of living  
16 weighting and may levy a tax on the taxable tangible property of the  
17 district for the purpose of financing the costs that are attributable directly  
18 to assignment of the cost of living weighting to enrollment of the district;  
19 or

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

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

33 Unified School District No. \_\_\_\_\_,  
34 \_\_\_\_\_ County, Kansas.  
35

36 RESOLUTION

37 Be It Resolved that:

38 The board of education of the above-named school district shall be  
39 authorized to levy an ad valorem tax in an amount not to exceed the  
40 amount necessary to finance the costs attributable directly to the  
41 assignment of cost of living weighting to the enrollment of the district. The  
42 ad valorem tax authorized by this resolution may be levied unless a  
43 petition in opposition to the same, signed by not less than 5% of the

1 qualified electors of the school district, is filed with the county election  
2 officer of the home county of the school district within 30 days after the  
3 publication of this resolution. If a petition is filed, the county election  
4 officer shall submit the question of whether the levy of such a tax shall be  
5 authorized in accordance with the provisions of this resolution to the  
6 electors of the school district at the next general election of the school  
7 district, as is specified by the board of education of the school district.

8  
9 CERTIFICATE

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

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

15 All of the blanks in the resolution shall be filled. If no petition as  
16 specified above is filed in accordance with the provisions of the resolution,  
17 the resolution authorizing the ad valorem tax levy shall become effective.  
18 If a petition is filed as provided in the resolution, the board may notify the  
19 county election officer to submit the question of whether such tax levy  
20 shall be authorized. If the board fails to notify the county election officer  
21 within 30 days after a petition is filed, the resolution shall be deemed  
22 abandoned and of no force and effect and no like resolution shall be  
23 adopted by the board within the nine months following publication of the  
24 resolution. If a majority of the votes cast in an election conducted pursuant  
25 to this provision are in favor of the resolution, such resolution shall be  
26 effective on the date of such election. If a majority of the votes cast are not  
27 in favor of the resolution, the resolution shall be deemed of no effect and  
28 no like resolution shall be adopted by the board within the nine months  
29 following such election.

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

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

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

40 (b) (1) (A) A school district may levy an ad valorem tax on the  
41 taxable tangible property of the district each year for a period of time not  
42 to exceed two years in an amount not to exceed the amount authorized by  
43 the state court of tax appeals under this subsection for the purpose of

1 financing the costs incurred by the state that are directly attributable to  
2 assignment of declining enrollment weighting to enrollment of the district.  
3 The state court of tax appeals may authorize the district to make a levy  
4 which will produce an amount that is not greater than the amount of  
5 revenues lost as a result of the declining enrollment of the district. Such  
6 amount shall not exceed 5% of the general fund budget of the district in  
7 the school year in which the district applies to the state court of tax appeals  
8 for authority to make a levy pursuant to this section.

9 (B) As an alternative to the authority provided in paragraph (1)(A), if  
10 a district was authorized to make a levy pursuant to this section in school  
11 year 2006-2007, such district shall remain authorized to make a levy at a  
12 rate necessary to generate revenue in the same amount that was generated  
13 in school year 2007-2008 if the district adopts a local option budget in an  
14 amount equal to the state prescribed percentage in effect in school year  
15 2006-2007.

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

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

21 (c) A district may levy the tax authorized pursuant to this section for a  
22 period of time not to exceed two years unless authority to make such levy  
23 is renewed by the state court of tax appeals. The state court of tax appeals  
24 may renew the authority to make such levy for periods of time not to  
25 exceed two years.

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

29 (e) There is hereby established in every district a fund which shall be  
30 called the declining enrollment fund. Such fund shall consist of all moneys  
31 deposited therein or transferred thereto according to law. The proceeds  
32 from the tax levied by a district under authority of this section shall be  
33 credited to the declining enrollment fund of the district. The proceeds from  
34 the tax levied by a district credited to the declining enrollment fund shall  
35 be remitted to the state treasurer in accordance with the provisions of  
36 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
37 remittance, the state treasurer shall deposit the entire amount in the state  
38 treasury to the credit of the state school district finance fund.

39 Sec. 9. K.S.A. 72-6410, 72-6415b, 72-6431, 72-6433, 72-6435, 72-  
40 6449 and 72-6451 and K.S.A. 2010 Supp. 72-6442b are hereby repealed.

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