

HOUSE BILL No. 2270

By Committee on K-12 Education Budget

2-3

1 AN ACT concerning education; relating to the financing thereof; making
 2 and concerning appropriations for the fiscal years ending June 30, 2018
 3 and June 30, 2019, for the department of education; creating the
 4 education finance act; amending K.S.A. 12-17,115 and 72-8803 and
 5 K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a,
 6 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-
 7 3715, 72-5333b, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-
 8 6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-
 9 8233, 72-8236, 72-8237, 72-8249, 72-8250, 72-8251, 72-8302, 72-
 10 8309, 72-8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-
 11 9609, 72-99a02, 74-4939a, 74-8925, 74-99b43, 75-2319, 79-201x, 79-
 12 213, 79-2001 and 79-2925b and repealing the existing sections; also
 13 repealing K.S.A. 2016 Supp. 72-6482.
 14

15 *Be it enacted by the Legislature of the State of Kansas:*
 16 Section 1.

DEPARTMENT OF EDUCATION

17
 18 (a) There is appropriated for the above agency from the state general
 19 fund for the fiscal year ending June 30, 2018, the following:

20 Operating expenditures (including official
 21 hospitality) (652-00-1000-0053).....\$12,515,606

22 *Provided*, That any unencumbered balance in the operating expenditures
 23 (including official hospitality) account in excess of \$100 as of June 30,
 24 2017, is hereby reappropriated for fiscal year 2018.

25 Special education services aid (652-00-1000-0700).....\$437,680,455

26 *Provided*, That any unencumbered balance in the special education
 27 services aid account in excess of \$100 as of June 30, 2017, is hereby
 28 reappropriated for fiscal year 2018: *Provided further*, That expenditures
 29 shall not be made from the special education services aid account for the
 30 provision of instruction for any homebound or hospitalized child unless
 31 the categorization of such child as exceptional is conjoined with the
 32 categorization of the child within one or more of the other categories of
 33 exceptionality: *And provided further*, That expenditures shall be made from
 34 this account for grants to school districts in amounts determined pursuant
 35 to and in accordance with the provisions of K.S.A. 72-983, and
 36 amendments thereto: *And provided further*, That expenditures shall be

1 made from the amount remaining in this account, after deduction of the
2 expenditures specified in the foregoing proviso, for payments to school
3 districts in amounts determined pursuant to and in accordance with the
4 provisions of K.S.A. 72-978, and amendments thereto.

5 General state aid (652-00-1000-0820).....\$2,085,179,877

6 *Provided*, That any unencumbered balance in the general state aid account
7 in excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal
8 year 2018.

9 Supplemental general state aid (652-00-1000-0840).....\$470,625,852

10 *Provided*, That any unencumbered balance in the supplemental general
11 state aid account in excess of \$100 as of June 30, 2017, is hereby
12 reappropriated for fiscal year 2018.

13 Information technology education opportunities (652-00-1000-0600)

14\$500,000

15 Kansas reading success program (652-00-1000-0070).....\$2,100,000

16 Discretionary grants (652-00-1000-0400).....\$322,457

17 *Provided*, That the above agency shall make expenditures from the
18 discretionary grants account during the fiscal year 2018, in the amount not
19 less than \$125,000 for after school programs for middle school students in
20 the sixth, seventh and eighth grades: *Provided further*, That the after
21 school programs may also include fifth and ninth grade students, if they
22 attend a junior high: *And provided further*, That such discretionary grants
23 shall be awarded to after school programs that operate for a minimum of
24 two hours a day, every day that school is in session, and a minimum of six
25 hours a day for a minimum of five weeks during the summer: *And*
26 *provided further*, That the discretionary grants awarded to after school
27 programs shall require a \$1 for \$1 local match: *And provided further*, That
28 the aggregate amount of discretionary grants awarded to any one after
29 school program shall not exceed \$25,000: *And provided further*, That
30 during the fiscal year ending June 30, 2018, expenditures shall be made by
31 the above agency from the discretionary grants fund for fiscal year 2018 to
32 establish a pilot program for communities in schools programming in three
33 school districts in Kansas: *And provided further*, That communities in
34 schools shall conduct an outcomes based study of its programming during
35 fiscal year 2018: *And provided further*, That the Kansas department of
36 education is hereby authorized and directed to provide to communities in
37 schools such student or other data as shall be necessary to permit
38 communities in schools to conduct such study of outcomes regarding the
39 students assisted with such communities in schools programming: *And*
40 *provided further*, That such data shall include data regarding
41 demographically similar students at peer institutions not involved in
42 communities in schools programs, to permit the research study to compare
43 outcomes of students receiving communities in schools services versus

1 students not receiving such services: *And provided further*, That upon
 2 providing the Kansas department of education with the names of students
 3 participating in the communities in schools program, the Kansas
 4 department of education shall provide the current status of students
 5 identified as participating in the program.

6 School food assistance (652-00-1000-0320).....	\$2,510,486
7 School safety hotline (652-00-1000-0230).....	\$10,000
8 KPERS – employer contributions – USDs.....	\$382,407,305
9 KPERS – employer contributions (652-00-1000-0100).....	\$25,275,661

10 *Provided*, That any unencumbered balance in the KPERS – employer
 11 contributions account in excess of \$100 as of June 30, 2017, is hereby
 12 reappropriated for fiscal year 2018: *Provided further*, That all expenditures
 13 from the KPERS – employer contributions account shall be for payment of
 14 participating employers' contributions to the Kansas public employees
 15 retirement system as provided in K.S.A. 74-4939, and amendments
 16 thereto: *And provided further*, That expenditures from this account for the
 17 payment of participating employers' contributions to the Kansas public
 18 employees retirement system may be made regardless of when the liability
 19 was incurred.

20 Educable deaf-blind and severely handicapped children's 21 programs aid (652-00-1000-0630).....	\$110,000
22 School district juvenile detention facilities and Flint Hills job 23 corps center grants (652-00-1000-0290).....	\$4,771,500

24 *Provided*, That any unencumbered balance in the school district juvenile
 25 detention facilities and Flint Hills job corps center grants account in excess
 26 of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018:
 27 *Provided further*, That expenditures shall be made from the school district
 28 juvenile detention facilities and Flint Hills job corps center grants account
 29 for grants to school districts in amounts determined pursuant to and in
 30 accordance with the provisions of K.S.A. 72-8187, and amendments
 31 thereto.

32 Governor's teaching excellence scholarships and awards (652-00-1000- 33 0770).....	\$327,500
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34 *Provided*, That any unencumbered balance in the governor's teaching
 35 excellence scholarships and awards account in excess of \$100 as of June
 36 30, 2017, is hereby reappropriated for fiscal year 2018: *Provided further*,
 37 That all expenditures from the governor's teaching excellence scholarships
 38 and awards account for teaching excellence scholarships shall be made in
 39 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
 40 *further*, That each such grant shall be required to be matched on a \$1 for \$1
 41 basis from nonstate sources: *And provided further*, That award of each such
 42 grant shall be conditioned upon the recipient entering into an agreement
 43 requiring the grant to be repaid if the recipient fails to complete the course

1 of training under the national board for professional teaching standards
 2 certification program: *And provided further*; That all moneys received by
 3 the department of education for repayment of grants for governor's
 4 teaching excellence scholarships shall be deposited in the state treasury
 5 and credited to the governor's teaching excellence scholarships program
 6 repayment fund (652-00-7221-7200).

7 (b) There is appropriated for the above agency from the following
 8 special revenue fund or funds for the fiscal year ending June 30, 2018, all
 9 moneys now or hereafter lawfully credited to and available in such fund or
 10 funds, except that expenditures other than refunds authorized by law and
 11 transfers to other state agencies shall not exceed the following:

- 12 State school district finance fund (652-00-7393-7000).....No limit
- 13 School district capital improvements fund (652-00-2880-2880).....No limit
- 14 *Provided*, That expenditures from the school district capital improvements
 15 fund shall be made only for the payment of general obligation bonds
 16 approved by voters under the authority of K.S.A. 72-6761, and
 17 amendments thereto.
- 18 Mineral production education fund (652-00-7669-7669).....No limit
- 19 School district capital outlay state aid fund.....No limit
- 20 Conversion of materials and equipment fund.....No limit
- 21 State safety fund (652-00-2538-2030).....No limit
- 22 School bus safety fund (652-00-2532-2300).....No limit
- 23 Motorcycle safety fund (652-00-2633-2050).....No limit
- 24 Federal indirect cost reimbursement fund (652-00-2312-2200).....No limit
- 25 Teacher and administrator fee fund (652-00-2728-2700).....No limit
- 26 Food assistance – federal fund (652-00-3230-3020).....No limit
- 27 Food assistance – school breakfast program –
 28 federal fund (652-00-3529-3490).....No limit
- 29 Food assistance – national school lunch program –
 30 federal fund (652-00-3530-3500).....No limit
- 31 Food assistance – child and adult care food program – federal
 32 fund (652-00-3531-3510).....No limit
- 33 Community-based child abuse prevention – federal
 34 fund (652-00-3319-7400).....No limit
- 35 Family and children investment fund (652-00-7375).....No limit
- 36 Elementary and secondary school aid – federal
 37 fund (652-00-3233-3040).....No limit
- 38 Educationally deprived children – state operations –
 39 federal fund (652-00-3131-3130).....No limit
- 40 Elementary and secondary school – educationally deprived
 41 children – LEA's fund (652-00-3532-3520).....No limit
- 42 ESEA chapter II – state operations – federal fund (652-00-3132-3140)...No
 43 limit

1	Education of handicapped children fund –	
2	federal (652-00-3234-3050).....	No limit
3	Education of handicapped children fund – state operations –	
4	federal fund (652-00-3534-3540).....	No limit
5	Education of handicapped children fund – preschool – federal	
6	fund (652-00-3535-3550).....	No limit
7	Education of handicapped children fund – preschool state	
8	operations – federal (652-00-3536-3560).....	No limit
9	Elementary and secondary school aid – federal fund – migrant	
10	education fund (652-00-3537-3570).....	No limit
11	Elementary and secondary school aid – federal fund – migrant	
12	education – state operations (652-00-3538-3580).....	No limit
13	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
14	Vocational education title II – federal fund –	
15	state operations (652-00-3540-3600).....	No limit
16	Educational research grants and projects	
17	fund (652-00-3592-3070).....	No limit
18	Drug abuse fund – department of education –	
19	federal (652-00-3795-3100).....	No limit
20	Drug abuse funds – federal – state operations	
21	fund (652-00-3799-3110).....	No limit
22	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
23	<i>Provided</i> , That expenditures may be made from the inservice education	
24	workshop fee fund for operating expenditures, including official	
25	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
26	<i>further</i> , That the state board of education is hereby authorized to fix,	
27	charge and collect fees for inservice workshops and conferences: <i>And</i>	
28	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
29	part of such operating expenditures incurred for inservice workshops and	
30	conferences: <i>And provided further</i> , That all fees received for inservice	
31	workshops and conferences shall be deposited in the state treasury in	
32	accordance with the provisions of K.S.A. 75-4215, and amendments	
33	thereto, and shall be credited to the inservice education workshop fee fund.	
34	Private donations, gifts, grants and bequests	
35	fund (652-00-7307-5000).....	No limit
36	Reimbursement for services fund (652-00-3056-3200).....	No limit
37	Communities in schools program fund (652-00-2221-2400).....	No limit
38	Governor's teaching excellence scholarships program repayment	
39	fund (652-00-7221-7200).....	No limit
40	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
41	scholarships program repayment fund shall be made in accordance with	
42	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
43	such grant shall be required to be matched on a \$1 for \$1 basis from	

1 nonstate sources: *And provided further*, That award of each such grant shall
 2 be conditioned upon the recipient entering into an agreement requiring the
 3 grant to be repaid if the recipient fails to complete the course of training
 4 under the national board for professional teaching standards certification
 5 program: *And provided further*, That all moneys received by the
 6 department of education for repayment of grants made under the
 7 governor's teaching excellence scholarships program shall be deposited in
 8 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
 9 amendments thereto, and shall be credited to the governor's teaching
 10 excellence scholarships program repayment fund.

- 11 Elementary and secondary school aid – federal fund –
- 12 reading first – state operations (652-00-3525-3850).....No limit
- 13 State grants for improving teacher quality –
- 14 federal fund (652-00-3526-3860).....No limit
- 15 State grants for improving teacher quality – federal fund –
- 16 state operations (652-00-3527-3870).....No limit
- 17 21st century community learning centers – federal
- 18 fund (652-00-3519-3890).....No limit
- 19 State assessments – federal fund (652-00-3520-3800).....No limit
- 20 Rural and low-income schools program –
- 21 federal fund (652-00-3521-3810).....No limit
- 22 TANF children's programs – federal
- 23 fund (652-00-3323-0530).....No limit
- 24 ESSA – student support academic enrichment – federal fund.....No limit
- 25 Language assistance state grants – federal
- 26 fund (652-00-3522-3820).....No limit
- 27 Service clearing fund (652-00-2869-2800).....No limit
- 28 Helping schools license plate program
- 29 fund (652-00-2606-2600).....No limit
- 30 General state aid transportation weighting –
- 31 state highway fund (652-00-2222-2222).....No limit

32 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
 33 April 1, 2018, the director of accounts and reports shall transfer
 34 \$24,150,000 from the state highway fund of the department of
 35 transportation to the general state aid transportation weighting – state
 36 highway fund of the department of education.

37 Special education transportation weighting – state
 38 highway fund (652-00-2223-2223).....No limit

39 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
 40 April 1, 2018, the director of accounts and reports shall transfer
 41 \$2,500,000 from the state highway fund of the department of
 42 transportation to the special education transportation weighting – state
 43 highway fund of the department of education.

1 Career and technical education transportation –
 2 state highway fund (652-00-2139-2139).....No limit
 3 *Provided*, That on July 1, 2017, the director of accounts and reports shall
 4 transfer \$650,000 from the state highway fund of the department of
 5 transportation to the career and technical education transportation – state
 6 highway fund of the department of education.

7 Educational technology coordinator fund (652-00-2157-2157).....No limit
 8 *Provided*, That expenditures shall be made by the above agency for the
 9 fiscal year ending June 30, 2018, from the educational technology
 10 coordinator fund of the department of education to provide data on the
 11 number of school districts served and cost savings for those districts in
 12 fiscal year 2018 in order to assess the cost effectiveness of the position of
 13 educational technology coordinator.

14 (c) There is appropriated for the above agency from the children's
 15 initiatives fund for the fiscal year ending June 30, 2018, the following:

16 Pre-K program.....\$4,799,812
 17 Parent education program.....\$7,237,635

18 *Provided*, That expenditures from the parent education program account
 19 for each such grant shall be matched by the school district in an amount
 20 which is equal to not less than 65% of the grant.

21 (d) On July 1, 2017, or as soon thereafter as moneys are available,
 22 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
 23 amendments thereto, or any other statute, the director of accounts and
 24 reports shall transfer \$50,000 from the family and children trust account of
 25 the family and children investment fund of the Kansas department for
 26 children and families to the communities in schools program fund of the
 27 department of education.

28 (e) On March 30, 2018, or as soon thereafter as moneys are available,
 29 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
 30 thereto, or any other statute, the director of accounts and reports shall
 31 transfer \$550,000 from the state safety fund to the state general fund:

32 *Provided*, That the transfer of such amount shall be in addition to any
 33 other transfer from the state safety fund to the state general fund as
 34 prescribed by law: *Provided further*, That the amount transferred from the
 35 state safety fund to the state general fund pursuant to this subsection is to
 36 reimburse the state general fund for accounting, auditing, budgeting, legal,
 37 payroll, personnel and purchasing services and any other governmental
 38 services that are performed on behalf of the department of education by
 39 other state agencies that receive appropriations from the state general fund
 40 to provide such services.

41 (f) On June 30, 2018, or as soon thereafter as moneys are available,
 42 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
 43 thereto, or any other statute, the director of accounts and reports shall

1 transfer \$550,000 from the state safety fund to the state general fund:
 2 *Provided*, That the transfer of such amount shall be in addition to any other
 3 transfer from the state safety fund to the state general fund as prescribed
 4 by law: *Provided further*, That the amount transferred from the state safety
 5 fund to the state general fund pursuant to this subsection is to reimburse
 6 the state general fund for accounting, auditing, budgeting, legal, payroll,
 7 personnel and purchasing services and any other governmental services
 8 that are performed on behalf of the department of education by other state
 9 agencies that receive appropriations from the state general fund to provide
 10 such services.

11 (g) On July 1, 2017, and quarterly thereafter, the director of accounts
 12 and reports shall transfer \$56,250 from the state highway fund of the
 13 department of transportation to the school bus safety fund of the
 14 department of education.

15 (h) On July 1, 2017, the director of accounts and reports shall transfer
 16 an amount certified by the commissioner of education from the motorcycle
 17 safety fund of the department of education to the motorcycle safety fund of
 18 the state board of regents: *Provided*, That the amount to be transferred
 19 shall be determined by the commissioner of education based on the
 20 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
 21 amendments thereto.

22 (i) There is appropriated for the above agency from the expanded
 23 lottery act revenues fund for the fiscal year ending June 30, 2018, the
 24 following:

25 KPERS – non-school employer contribution.....\$35,430,948

26 (j) On July 1, 2017, or as soon thereafter as moneys are available, the
 27 director of accounts and reports shall transfer \$89,323 from the USAC E-
 28 rate program federal fund of the state board of regents to the education
 29 technology coordinator fund of the department of education: *Provided*,
 30 That the department of education shall provide information and data
 31 regarding the number of school districts served and cost savings attained
 32 by such school districts in order to assess the cost effectiveness of having
 33 this education technology coordinator position: *Provided further*, That such
 34 information and data shall be available by the department of education by
 35 the end of the fiscal year 2018.

36 Sec. 2.

37 DEPARTMENT OF EDUCATION

38 (a) There is appropriated for the above agency from the state general
 39 fund for the fiscal year ending June 30, 2019, the following:

40 Operating expenditures (including official
 41 hospitality) (652-00-1000-0053).....\$12,585,839

42 *Provided*, That any unencumbered balance in the operating expenditures
 43 (including official hospitality) account in excess of \$100 as of June 30,

1 2018, is hereby reappropriated for fiscal year 2019.

2 Special education services aid (652-00-1000-0700).....\$442,680,455

3 *Provided*, That any unencumbered balance in the special education

4 services aid account in excess of \$100 as of June 30, 2018, is hereby

5 reappropriated for fiscal year 2019: *Provided further*; That expenditures

6 shall not be made from the special education services aid account for the

7 provision of instruction for any homebound or hospitalized child unless

8 the categorization of such child as exceptional is conjoined with the

9 categorization of the child within one or more of the other categories of

10 exceptionality: *And provided further*; That expenditures shall be made from

11 this account for grants to school districts in amounts determined pursuant

12 to and in accordance with the provisions of K.S.A. 72-983, and

13 amendments thereto: *And provided further*; That expenditures shall be

14 made from the amount remaining in this account, after deduction of the

15 expenditures specified in the foregoing proviso, for payments to school

16 districts in amounts determined pursuant to and in accordance with the

17 provisions of K.S.A. 72-978, and amendments thereto.

18 General state aid (652-00-1000-0820).....\$1,893,387,062

19 *Provided*, That any unencumbered balance in the general state aid account

20 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal

21 year 2019.

22 Supplemental general state aid (652-00-1000-0840).....\$470,625,852

23 *Provided*, That any unencumbered balance in the supplemental general

24 state aid account in excess of \$100 as of June 30, 2018, is hereby

25 reappropriated for fiscal year 2019.

26 Information technology education opportunities (652-00-1000-0600)

27\$500,000

28 Kansas reading success program (652-00-1000-0070).....\$2,100,000

29 Discretionary grants (652-00-1000-0400).....\$322,457

30 *Provided*, That the above agency shall make expenditures from the

31 discretionary grants account during the fiscal year 2019, in the amount not

32 less than \$125,000 for after school programs for middle school students in

33 the sixth, seventh and eighth grades: *Provided further*; That the after school

34 programs may also include fifth and ninth grade students, if they attend a

35 junior high: *And provided further*; That such discretionary grants shall be

36 awarded to after school programs that operate for a minimum of two hours

37 a day, every day that school is in session, and a minimum of six hours a

38 day for a minimum of five weeks during the summer: *And provided*

39 *further*; That the discretionary grants awarded to after school programs

40 shall require a \$1 for \$1 local match: *And provided further*; That the

41 aggregate amount of discretionary grants awarded to any one after school

42 program shall not exceed \$25,000: *And provided further*; That during the

43 fiscal year ending June 30, 2019, expenditures shall be made by the above

1 agency from the discretionary grants fund for fiscal year 2019 to establish
 2 a pilot program for communities in schools programming in three school
 3 districts in Kansas: *And provided further*, That communities in schools
 4 shall conduct an outcomes based study of its programming during fiscal
 5 year 2019: *And provided further*, That the Kansas department of education
 6 is hereby authorized and directed to provide to communities in schools
 7 such student or other data as shall be necessary to permit communities in
 8 schools to conduct such study of outcomes regarding the students assisted
 9 with such communities in schools programming: *And provided further*,
 10 That such data shall include data regarding demographically similar
 11 students at peer institutions not involved in communities in schools
 12 programs, to permit the research study to compare outcomes of students
 13 receiving communities in schools services versus students not receiving
 14 such services: *And provided further*, That upon providing the Kansas
 15 department of education with the names of students participating in the
 16 communities in schools program, the Kansas department of education shall
 17 provide the current status of students identified as participating in the
 18 program.

19 School food assistance (652-00-1000-0320).....	\$2,510,486
20 School safety hotline (652-00-1000-0230).....	\$10,000
21 KPERS – employer contributions – USDs.....	\$421,856,124
22 KPERS – employer contributions (652-00-1000-0100).....	\$31,538,101

23 *Provided*, That any unencumbered balance in the KPERS – employer
 24 contributions account in excess of \$100 as of June 30, 2018, is hereby
 25 reappropriated for fiscal year 2019: *Provided further*, That all expenditures
 26 from the KPERS – employer contributions account shall be for payment of
 27 participating employers' contributions to the Kansas public employees
 28 retirement system as provided in K.S.A. 74-4939, and amendments
 29 thereto: *And provided further*, That expenditures from this account for the
 30 payment of participating employers' contributions to the Kansas public
 31 employees retirement system may be made regardless of when the liability
 32 was incurred.

33 Educable deaf-blind and severely handicapped children's 34 programs aid (652-00-1000-0630).....	\$110,000
35 School district juvenile detention facilities and Flint Hills job 36 corps center grants (652-00-1000-0290).....	\$4,771,500

37 *Provided*, That any unencumbered balance in the school district juvenile
 38 detention facilities and Flint Hills job corps center grants account in excess
 39 of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019:
 40 *Provided further*, That expenditures shall be made from the school district
 41 juvenile detention facilities and Flint Hills job corps center grants account
 42 for grants to school districts in amounts determined pursuant to and in
 43 accordance with the provisions of K.S.A. 72-8187, and amendments

1 thereto.

2 Governor's teaching excellence scholarships and awards (652-00-1000-
3 0770).....\$327,500

4 *Provided*, That any unencumbered balance in the governor's teaching
5 excellence scholarships and awards account in excess of \$100 as of June
6 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*;
7 That all expenditures from the governor's teaching excellence scholarships
8 and awards account for teaching excellence scholarships shall be made in
9 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
10 *further*, That each such grant shall be required to be matched on a \$1 for \$1
11 basis from nonstate sources: *And provided further*, That award of each such
12 grant shall be conditioned upon the recipient entering into an agreement
13 requiring the grant to be repaid if the recipient fails to complete the course
14 of training under the national board for professional teaching standards
15 certification program: *And provided further*, That all moneys received by
16 the department of education for repayment of grants for governor's
17 teaching excellence scholarships shall be deposited in the state treasury
18 and credited to the governor's teaching excellence scholarships program
19 repayment fund (652-00-7221-7200).

20 (b) There is appropriated for the above agency from the following
21 special revenue fund or funds for the fiscal year ending June 30, 2019, all
22 moneys now or hereafter lawfully credited to and available in such fund or
23 funds, except that expenditures other than refunds authorized by law and
24 transfers to other state agencies shall not exceed the following:

25 State school district finance fund (652-00-7393-7000).....No limit

26 School district capital improvements fund (652-00-2880-2880).....No limit

27 *Provided*, That expenditures from the school district capital improvements
28 fund shall be made only for the payment of general obligation bonds
29 approved by voters under the authority of K.S.A. 72-6761, and
30 amendments thereto.

31 Mineral production education fund (652-00-7669-7669).....No limit

32 School district capital outlay state aid fund.....No limit

33 Conversion of materials and equipment fund.....No limit

34 State safety fund (652-00-2538-2030).....No limit

35 School bus safety fund (652-00-2532-2300).....No limit

36 Motorcycle safety fund (652-00-2633-2050).....No limit

37 Federal indirect cost reimbursement fund (652-00-2312-2200).....No limit

38 Teacher and administrator fee fund (652-00-2728-2700).....No limit

39 Food assistance – federal fund (652-00-3230-3020).....No limit

40 Food assistance – school breakfast program –
41 federal fund (652-00-3529-3490).....No limit

42 Food assistance – national school lunch program –
43 federal fund (652-00-3530-3500).....No limit

1	Food assistance – child and adult care food program – federal	
2	fund (652-00-3531-3510).....	No limit
3	Community-based child abuse prevention – federal	
4	fund (652-00-3319-7400).....	No limit
5	Family and children investment fund (652-00-7375).....	No limit
6	Elementary and secondary school aid – federal	
7	fund (652-00-3233-3040).....	No limit
8	Educationally deprived children – state operations –	
9	federal fund (652-00-3131-3130).....	No limit
10	Elementary and secondary school – educationally deprived	
11	children – LEA's fund (652-00-3532-3520).....	No limit
12	ESEA chapter II – state operations – federal fund (652-00-3132-3140)...	No
13	limit	
14	Education of handicapped children fund –	
15	federal (652-00-3234-3050).....	No limit
16	Education of handicapped children fund – state operations –	
17	federal fund (652-00-3534-3540).....	No limit
18	Education of handicapped children fund – preschool – federal	
19	fund (652-00-3535-3550).....	No limit
20	Education of handicapped children fund – preschool state	
21	operations – federal (652-00-3536-3560).....	No limit
22	Elementary and secondary school aid – federal fund – migrant	
23	education fund (652-00-3537-3570).....	No limit
24	Elementary and secondary school aid – federal fund – migrant	
25	education – state operations (652-00-3538-3580)	No limit
26	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
27	Vocational education title II – federal fund –	
28	state operations (652-00-3540-3600)	No limit
29	Educational research grants and projects	
30	fund (652-00-3592-3070).....	No limit
31	Drug abuse fund – department of education –	
32	federal (652-00-3795-3100).....	No limit
33	Drug abuse funds – federal – state operations	
34	fund (652-00-3799-3110).....	No limit
35	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
36	<i>Provided</i> , That expenditures may be made from the inservice education	
37	workshop fee fund for operating expenditures, including official	
38	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
39	<i>further</i> , That the state board of education is hereby authorized to fix,	
40	charge and collect fees for inservice workshops and conferences: <i>And</i>	
41	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
42	part of such operating expenditures incurred for inservice workshops and	
43	conferences: <i>And provided further</i> , That all fees received for inservice	

1 workshops and conferences shall be deposited in the state treasury in
2 accordance with the provisions of K.S.A. 75-4215, and amendments
3 thereto, and shall be credited to the inservice education workshop fee fund.
4 Private donations, gifts, grants and bequests
5 fund (652-00-7307-5000).....No limit
6 Reimbursement for services fund (652-00-3056-3200).....No limit
7 Communities in schools program fund (652-00-2221-2400).....No limit
8 Governor's teaching excellence scholarships program repayment
9 fund (652-00-7221-7200).....No limit
10 *Provided*, That all expenditures from the governor's teaching excellence
11 scholarships program repayment fund shall be made in accordance with
12 K.S.A. 72-1398, and amendments thereto: *Provided further*, That each
13 such grant shall be required to be matched on a \$1 for \$1 basis from
14 nonstate sources: *And provided further*, That award of each such grant shall
15 be conditioned upon the recipient entering into an agreement requiring the
16 grant to be repaid if the recipient fails to complete the course of training
17 under the national board for professional teaching standards certification
18 program: *And provided further*, That all moneys received by the
19 department of education for repayment of grants made under the
20 governor's teaching excellence scholarships program shall be deposited in
21 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
22 amendments thereto, and shall be credited to the governor's teaching
23 excellence scholarships program repayment fund.
24 State grants for improving teacher quality –
25 federal fund (652-00-3526-3860).....No limit
26 State grants for improving teacher quality – federal fund –
27 state operations (652-00-3527-3870).....No limit
28 21st century community learning centers – federal
29 fund (652-00-3519-3890).....No limit
30 State assessments – federal fund (652-00-3520-3800).....No limit
31 Rural and low-income schools program –
32 federal fund (652-00-3521-3810).....No limit
33 TANF children's programs – federal
34 fund (652-00-3323-0530).....No limit
35 ESSA – student support academic enrichment – federal fund.....No limit
36 Language assistance state grants – federal
37 fund (652-00-3522-3820).....No limit
38 Service clearing fund (652-00-2869-2800).....No limit
39 Helping schools license plate program fund (652-00-2606-2600).....No limit
40 General state aid transportation weighting –
41 state highway fund (652-00-2222-2222).....No limit
42 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and
43 April 1, 2019, the director of accounts and reports shall transfer

1 \$24,150,000 from the state highway fund of the department of
2 transportation to the general state aid transportation weighting – state
3 highway fund of the department of education.

4 Special education transportation weighting – state
5 highway fund (652-00-2223-2223)No limit

6 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and
7 April 1, 2019, the director of accounts and reports shall transfer
8 \$2,500,000 from the state highway fund of the department of
9 transportation to the special education transportation weighting – state
10 highway fund of the department of education.

11 Career and technical education transportation –
12 state highway fund (652-00-2139-2139).....No limit

13 *Provided*, That on July 1, 2018, the director of accounts and reports shall
14 transfer \$650,000 from the state highway fund of the department of
15 transportation to the career and technical education transportation – state
16 highway fund of the department of education.

17 Educational technology coordinator fund (652-00-2157-2157).....No limit

18 *Provided*, That expenditures shall be made by the above agency for the
19 fiscal year ending June 30, 2019, from the educational technology
20 coordinator fund of the department of education to provide data on the
21 number of school districts served and cost savings for those districts in
22 fiscal year 2019 in order to assess the cost effectiveness of the position of
23 educational technology coordinator.

24 (c) There is appropriated for the above agency from the children's
25 initiatives fund for the fiscal year ending June 30, 2019, the following:

26 Pre-K program.....\$4,799,812
27 Parent education program.....\$7,237,635

28 *Provided*, That expenditures from the parent education program account
29 for each such grant shall be matched by the school district in an amount
30 which is equal to not less than 65% of the grant.

31 (d) On July 1, 2018, or as soon thereafter as moneys are available,
32 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
33 amendments thereto, or any other statute, the director of accounts and
34 reports shall transfer \$50,000 from the family and children trust account of
35 the family and children investment fund of the Kansas department for
36 children and families to the communities in schools program fund of the
37 department of education.

38 (e) On March 30, 2019, or as soon thereafter as moneys are available,
39 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
40 thereto, or any other statute, the director of accounts and reports shall
41 transfer \$550,000 from the state safety fund to the state general fund:
42 *Provided*, That the transfer of such amount shall be in addition to any
43 other transfer from the state safety fund to the state general fund as

1 prescribed by law: *Provided further*; That the amount transferred from the
 2 state safety fund to the state general fund pursuant to this subsection is to
 3 reimburse the state general fund for accounting, auditing, budgeting, legal,
 4 payroll, personnel and purchasing services and any other governmental
 5 services that are performed on behalf of the department of education by
 6 other state agencies that receive appropriations from the state general fund
 7 to provide such services.

8 (f) On June 30, 2019, or as soon thereafter as moneys are available,
 9 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
 10 thereto, or any other statute, the director of accounts and reports shall
 11 transfer \$550,000 from the state safety fund to the state general fund:
 12 *Provided*, That the transfer of such amount shall be in addition to any other
 13 transfer from the state safety fund to the state general fund as prescribed
 14 by law: *Provided further*; That the amount transferred from the state safety
 15 fund to the state general fund pursuant to this subsection is to reimburse
 16 the state general fund for accounting, auditing, budgeting, legal, payroll,
 17 personnel and purchasing services and any other governmental services
 18 that are performed on behalf of the department of education by other state
 19 agencies that receive appropriations from the state general fund to provide
 20 such services.

21 (g) On July 1, 2018, and quarterly thereafter, the director of accounts
 22 and reports shall transfer \$56,250 from the state highway fund of the
 23 department of transportation to the school bus safety fund of the
 24 department of education.

25 (h) On July 1, 2018, the director of accounts and reports shall transfer
 26 an amount certified by the commissioner of education from the motorcycle
 27 safety fund of the department of education to the motorcycle safety fund of
 28 the state board of regents: *Provided*, That the amount to be transferred
 29 shall be determined by the commissioner of education based on the
 30 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
 31 amendments thereto.

32 (i) There is appropriated for the above agency from the expanded
 33 lottery act revenues fund for the fiscal year ending June 30, 2019, the
 34 following:

35 KPERS – non-school employer contribution.....\$35,430,948

36 (j) On July 1, 2018, or as soon thereafter as moneys are available, the
 37 director of accounts and reports shall transfer \$89,323 from the USAC E-
 38 rate program federal fund of the state board of regents to the education
 39 technology coordinator fund of the department of education: *Provided*,
 40 That the department of education shall provide information and data
 41 regarding the number of school districts served and cost savings attained
 42 by such school districts in order to assess the cost effectiveness of having
 43 this education technology coordinator position: *Provided further*; That such

1 information and data shall be available by the department of education by
2 the end of the fiscal year 2019.

3 New Sec. 3. Sections 3 through 46, and amendments thereto, shall be
4 known and may be cited as the education finance act.

5 New Sec. 4. As used in the education finance act, section 3 et seq.,
6 and amendments thereto:

7 (a) "Adjusted enrollment" means enrollment adjusted by adding the
8 following weightings, if any, to the enrollment of the school district: Low-
9 income student weighting; program weighting; low enrollment weighting;
10 high-density low-income student weighting; high enrollment weighting;
11 declining enrollment weighting; school facilities weighting; ancillary
12 school facilities weighting; cost-of-living weighting; special education and
13 related services weighting; and transportation weighting.

14 (b) "Ancillary school facilities weighting" means an addend
15 component assigned to the enrollment of school districts to which the
16 provisions of section 31, and amendments thereto, apply on the basis of
17 costs attributable to commencing operation of new school facilities.

18 (c) "Board" means the board of education of a school district.

19 (d) "Budget per student" means the general fund budget of a school
20 district divided by the enrollment of the school district.

21 (e) "Categorical fund" means and includes the following funds of a
22 school district: Special education fund; food service fund; driver training
23 fund; adult education fund; adult supplementary education fund;
24 professional development fund; parent education program fund; summer
25 program fund; extraordinary school program fund; and educational
26 excellence grant program fund.

27 (f) "Cost-of-living weighting" means an addend component assigned
28 to the enrollment of school districts to which the provisions of section 32,
29 and amendments thereto, apply on the basis of costs attributable to the cost
30 of living in the school district.

31 (g) "Current school year" means the school year during which general
32 state aid is determined by the state board under section 6, and amendments
33 thereto.

34 (h) "Declining enrollment weighting" means an addend component
35 assigned to the enrollment of school districts to which the provisions of
36 section 33, and amendments thereto, apply on the basis of reduced
37 revenues attributable to the declining enrollment of the school district.

38 (i) "Enrollment" means:

39 (1) The number of students regularly enrolled in the school district on
40 September 20 of the preceding school year, except a student who is a
41 foreign exchange student shall not be counted unless such student is
42 regularly enrolled in the school district on September 20 and attending
43 kindergarten or any of the grades one through 12 maintained by the school

- 1 district for at least one semester or two quarters, or the equivalent thereof.
- 2 (2) If the enrollment in a school district in any school year has
3 decreased from enrollment in the second preceding school year, the
4 enrollment of the school district in the current school year means
5 whichever is the greater of:
- 6 (A) The sum of:
- 7 (i) The enrollment in the second preceding school year, excluding
8 students under subsection (2)(A)(ii), minus enrollment in such school year
9 of preschool-aged low-income students, if any, plus enrollment in the
10 preceding school year of preschool-aged low-income students, if any; and
11 (ii) the adjusted enrollment in the second preceding school year of
12 any students participating in the tax credit for low-income students
13 scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and
14 amendments thereto, in the preceding school year, if any, plus the adjusted
15 enrollment in the second preceding school year of preschool-aged low-
16 income students who are participating in the tax credit for low-income
17 students scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et
18 seq., and amendments thereto, in the preceding school year, if any; or
- 19 (B) the sum of the enrollment in the preceding school year of
20 preschool-aged low-income students, if any, and the arithmetic mean of the
21 sum of:
- 22 (i) The enrollment of the school district in the preceding school year
23 minus the enrollment in such school year of preschool-aged low-income
24 students, if any;
- 25 (ii) the enrollment in the second preceding school year minus the
26 enrollment in such school year of preschool-aged low-income students, if
27 any; and
- 28 (iii) the enrollment in the third preceding school year minus the
29 enrollment in such school year of preschool-aged low-income students, if
30 any.
- 31 (3) The enrollment of a school district shall be adjusted pursuant to
32 section 10 or 11, and amendments thereto, as applicable.
- 33 (j) "February 20" has its usual meaning, except that in any year in
34 which February 20 is not a day on which school is maintained, it means
35 the first day after February 20 on which school is maintained.
- 36 (k) "Federal impact aid" means an amount equal to the federally
37 qualified percentage of the amount of moneys a school district receives in
38 the current school year under the provisions of title I of public law 874 and
39 congressional appropriations therefor, excluding amounts received for
40 assistance in cases of major disaster and amounts received under the low-
41 rent housing program. The amount of federal impact aid defined herein
42 shall be determined by the state board in accordance with terms and
43 conditions imposed under the provisions of the public law and rules and

1 regulations thereunder.

2 (l) (1) Except as provided in subsection (l)(2), "foundation state aid
3 per student" means an amount appropriated by the legislature in a fiscal
4 year for the designated year. The amount of foundation state aid per
5 student shall be as follows:

- 6 (A) For school year 2017-2018, \$4,253;
- 7 (B) for school year 2018-2019, \$4,467;
- 8 (C) for school year 2019-2020, \$4,681; and
- 9 (D) for school year 2020-2021, \$4,895.

10 (2) Commencing in school year 2021-2022, and every other school
11 year thereafter, the foundation state aid per student shall increase by an
12 amount equal to the percentage increase in the consumer price index for all
13 urban consumers in the midwest region as published by the bureau of labor
14 statistics of the United States department of labor during the second
15 preceding school year.

16 (m) "General fund" means the fund of a school district from which
17 operating expenses are paid and in which is deposited the proceeds from
18 the tax levied under section 14, and amendments thereto, all amounts of
19 general state aid provided under this act, payments under K.S.A. 72-7105a,
20 and amendments thereto, payments of federal funds made available under
21 the provisions of title I of public law 874, except amounts received for
22 assistance in cases of major disaster and amounts received under the low-
23 rent housing program and such other moneys as are provided by law.

24 (n) "General fund budget" means the amount budgeted for operating
25 expenses in the general fund of a school district.

26 (o) "High-density low-income student weighting" means an addend
27 component assigned to the enrollment of school districts to which the
28 provisions of section 27, and amendments thereto, apply.

29 (p) "High enrollment weighting" means an addend component
30 assigned to the enrollment of school districts pursuant to section 22, and
31 amendments thereto, on the basis of costs attributable to maintenance of
32 educational programs by such school districts.

33 (q) "Juvenile detention facility" has the same meaning as defined in
34 K.S.A. 72-8187, and amendments thereto.

35 (r) "Low enrollment weighting" means an addend component
36 assigned to the enrollment of school districts pursuant to section 21, and
37 amendments thereto, on the basis of costs attributable to maintenance of
38 educational programs by such school districts.

39 (s) (1) "Low-income student" means a student who is eligible for free
40 meals under the national school lunch act, and who is enrolled in a school
41 district that maintains an approved at-risk student assistance program.

42 (2) The term "low-income student" shall not include any student
43 enrolled in any of the grades one through 12 who is in attendance less than

1 full time, or any student who is over 19 years of age. The provisions of this
2 paragraph shall not apply to any student who has an individualized
3 education program.

4 (t) "Low-income student weighting" means an addend component
5 assigned to the enrollment of school districts pursuant to section 26, and
6 amendments thereto.

7 (u) "Operating expenses" means the total expenditures and lawful
8 transfers from the general fund of a school district during a school year for
9 all purposes, except expenditures for the purposes specified in section 41,
10 and amendments thereto.

11 (v) "Preceding school year" means the school year immediately
12 before the current school year.

13 (w) "Preschool-aged low-income student" means a low-income
14 student who has attained the age of four years, is under the age of
15 eligibility for attendance at kindergarten, and has been selected by the state
16 board in accordance with guidelines consonant with guidelines governing
17 the selection of students for participation in head start programs.

18 (x) "Preschool-aged exceptional children" means exceptional
19 children, except gifted children, who have attained the age of three years
20 but are under the age of eligibility for attendance at kindergarten. The
21 terms "exceptional children" and "gifted children" have the same meaning
22 as those terms are defined in K.S.A. 72-962, and amendments thereto.

23 (y) "Program weighted fund" means the following funds of a school
24 district: Career technical education fund; preschool-aged at-risk education
25 fund; and bilingual education fund.

26 (z) "Program weighting" means an addend component assigned to the
27 enrollment of school districts pursuant to section 23, and amendments
28 thereto, on the basis of student attendance in educational programs that
29 differ in cost from regular educational programs.

30 (aa) "Psychiatric residential treatment facility" has the same meaning
31 as defined in K.S.A. 72-8187, and amendments thereto.

32 (bb) "School district" means a school district organized under the
33 laws of this state that is maintaining public school for a school term in
34 accordance with the provisions of K.S.A. 72-1106, and amendments
35 thereto.

36 (cc) "School facilities weighting" means an addend component
37 assigned to the enrollment of school districts pursuant to section 24, and
38 amendments thereto, on the basis of costs attributable to commencing
39 operation of new school facilities.

40 (dd) "School financing sources" means the sum of the following
41 amounts:

42 (1) The amount of the proceeds from the tax levied under the
43 authority of section 14, and amendments thereto;

- 1 (2) an amount equal to any unexpended and unencumbered balance
2 remaining in the general fund of the school district, except amounts
3 received by the school district and authorized to be expended for the
4 purposes specified in section 41, and amendments thereto;
- 5 (3) an amount equal to any remaining proceeds from taxes levied
6 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
7 prior to their repeal;
- 8 (4) an amount equal to the amount deposited in the general fund in
9 the current school year from amounts received in such school year by the
10 school district under the provisions of K.S.A. 72-1046a(a), and
11 amendments thereto;
- 12 (5) an amount equal to the amount deposited in the general fund in
13 the current school year from amounts received in such school year by the
14 school district pursuant to contracts made and entered into under authority
15 of K.S.A. 72-6757, and amendments thereto;
- 16 (6) an amount equal to the amount credited to the general fund in the
17 current school year from amounts distributed in such school year to the
18 school district under the provisions of articles 17 and 34 of chapter 12 of
19 the Kansas Statutes Annotated, and amendments thereto, and under the
20 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
21 Annotated, and amendments thereto;
- 22 (7) an amount equal to the amount of payments received by the
23 school district under the provisions of K.S.A. 72-979, and amendments
24 thereto;
- 25 (8) an amount equal to the amount of any grant received by the
26 school district under the provisions of K.S.A. 72-983, and amendments
27 thereto; and
- 28 (9) an amount equal to 70% of the federal impact aid of the school
29 district.
- 30 (ee) "School year" means the 12-month period ending June 30.
- 31 (ff) "September 20" has its usual meaning, except that in any year in
32 which September 20 is not a day on which school is maintained, it means
33 the first day after September 20 on which school is maintained.
- 34 (gg) "Special education and related services weighting" means an
35 addend component assigned to the enrollment of school districts pursuant
36 to section 25, and amendments thereto, on the basis of costs attributable to
37 provision of special education and related services for students determined
38 to be exceptional children.
- 39 (hh) "State board" means the state board of education.
- 40 (ii) "State financial aid" means an amount equal to the product
41 obtained by multiplying foundation state aid per student by the adjusted
42 enrollment of a school district.
- 43 (jj) (1) "Student" means any person who is regularly enrolled in a

1 school district and attending kindergarten or any of the grades one through
2 12 maintained by the school district or who is regularly enrolled in a
3 school district and attending kindergarten or any of the grades one through
4 12 in another school district in accordance with an agreement entered into
5 under authority of K.S.A. 72-8233, and amendments thereto, or who is
6 regularly enrolled in a school district and attending special education
7 services provided for preschool-aged exceptional children by the school
8 district.

9 (2) (A) The following shall be counted as one student:

10 (i) A student in attendance full-time; and

11 (ii) except as provided in subsection (jj)(2)(B), a student enrolled in a
12 school district and attending special education and related services,
13 provided for by the school district.

14 (B) The following shall be counted as $\frac{1}{2}$ student:

15 (i) A student enrolled in a school district and attending special
16 education and related services for preschool-aged exceptional children
17 provided for by the school district; and

18 (ii) a preschool-aged low-income student enrolled in a school district
19 and receiving services under an approved at-risk student assistance plan
20 maintained by the school district.

21 (C) A student in attendance part-time shall be counted as that
22 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
23 bears to full-time attendance.

24 (D) A student enrolled in and attending an institution of
25 postsecondary education that is authorized under the laws of this state to
26 award academic degrees shall be counted as one student, if the student's
27 postsecondary education enrollment and attendance together with the
28 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time,
29 otherwise the student shall be counted as that proportion of one student (to
30 the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education
31 attendance and attendance in grade 11 or 12, as applicable, bears to full-
32 time attendance.

33 (E) A student enrolled in and attending a technical college, a career
34 technical education program of a community college or other approved
35 career technical education program shall be counted as one student, if the
36 student's career technical education attendance together with the student's
37 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
38 the student shall be counted as that proportion of one student (to the
39 nearest $\frac{1}{10}$) that the total time of the student's career technical education
40 attendance and attendance in any of grades nine through 12 bears to full-
41 time attendance.

42 (F) A student enrolled in a school district and attending a non-virtual
43 school and also attending a virtual school shall be counted as that

1 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
2 at the non-virtual school bears to full-time attendance.

3 (G) A student enrolled in a school district and attending special
4 education and related services provided for by the school district and also
5 attending a virtual school shall be counted as that proportion of one
6 student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual
7 school bears to full-time attendance.

8 (3) The following shall not be counted:

9 (A) A student residing at the Flint Hills job corps center;

10 (B) except as provided in subsection (jj)(2), a student confined in and
11 receiving educational services provided for by a school district at a
12 juvenile detention facility; and

13 (C) a student enrolled in a school district but housed, maintained and
14 receiving educational services at a state institution or a psychiatric
15 residential treatment facility.

16 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et
17 seq., and amendments thereto, shall be counted in accordance with the
18 provisions of this subsection.

19 (kk) "Transportation weighting" means an addend component
20 assigned to the enrollment of school districts pursuant to section 20, and
21 amendments thereto, on the basis of costs attributable to the provision or
22 furnishing of transportation.

23 (ll) "Virtual school" shall have the same meaning as that term is
24 defined in K.S.A. 2016 Supp. 72-3712, and amendments thereto.

25 New Sec. 5. (a) The state school district finance fund, established by
26 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in
27 existence and shall consist of: (1) All moneys credited to such fund under
28 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and
29 (2) all amounts transferred to such fund under sections 8, 31, 32 and 33,
30 and amendments thereto.

31 (b) The state school district finance fund shall be used for the purpose
32 of school district finance and for no other governmental purpose. It is the
33 intent of the legislature that the fund shall remain intact and inviolate for
34 such purpose, and moneys in the fund shall not be subject to the provisions
35 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

36 (c) Amounts in the state school district finance fund shall be allocated
37 and distributed to school districts as a portion of general state aid provided
38 for under this act.

39 New Sec. 6. In each school year, the state board shall determine the
40 amount of general state aid for each school district for such school year.
41 The state board shall determine the amount of the school district's school
42 financing sources for the school year. If the amount of the school district's
43 school financing sources is greater than the amount of state financial aid

1 determined for the school district for the school year, the school district
2 shall not receive general state aid in any amount. If the amount of the
3 school district's school financing sources is less than the amount of state
4 financial aid determined for the school district for the school year, the state
5 board shall subtract the amount of the school district's school financing
6 sources from the amount of state financial aid. The remainder is the
7 amount of general state aid the school district will receive for the school
8 year.

9 New Sec. 7. (a) The distribution of general state aid under this act
10 shall be made in accordance with appropriation acts each year as provided
11 in this section.

12 (b) (1) In the months of July through May of each school year, the
13 state board shall determine the amount of general state aid that will be
14 required by each school district to maintain operations in each such month.
15 In making such determination, the state board shall take into consideration
16 the school district's access to school financing sources and the obligations
17 of the general fund that must be satisfied during the month. The amount
18 determined by the state board under this provision is the amount of general
19 state aid that will be distributed to the school district in the months of July
20 through May.

21 (2) In the month of June of each school year, payment shall be made
22 of the full amount of the general state aid determined for the school year
23 less the sum of the monthly payments made in the months of July through
24 May pursuant to subsection (b)(1).

25 (c) Payments of general state aid shall be distributed to school
26 districts once each month on the dates prescribed by the state board. The
27 state board shall certify to the director of accounts and reports the amount
28 due as general state aid to each school district in each of the months of
29 July through June. Such certification, and the amount of general state aid
30 payable from the state general fund, shall be approved by the director of
31 the budget. The director of accounts and reports shall draw warrants on the
32 state treasurer payable to the school district treasurer of each school
33 district, pursuant to vouchers approved by the state board. Upon receipt of
34 such warrant, each school district treasurer shall deposit the amount of
35 general state aid in the general fund of the school district, except that an
36 amount equal to the amount of federal impact aid not included in the
37 school financing sources of a school district may be disposed of as
38 provided in section 39(a), and amendments thereto.

39 New Sec. 8. In the event any school district is paid more than it is
40 entitled to receive under any distribution made under this act or under any
41 statute repealed by this act, the state board shall notify the school district
42 of the amount of such overpayment, and such school district shall remit the
43 same to the state board. The state board shall remit any moneys so

1 received to the state treasurer in accordance with the provisions of K.S.A.
2 75-4215, and amendments thereto. Upon receipt of each such remittance,
3 the state treasurer shall deposit the entire amount in the state treasury to
4 the credit of the state school district finance fund. If any school district
5 fails to remit, the state board shall deduct the excess amounts paid from
6 future payments becoming due to the school district. In the event any
7 school district is paid less than the amount it is to receive under any
8 distribution made under this act, the state board shall pay the additional
9 amount due at any time within the school year in which the underpayment
10 was made or within 60 days after the end of such school year.

11 New Sec. 9. On or before October 10 of each school year, the clerk or
12 superintendent of each school district shall certify under oath to the state
13 board a report showing the total enrollment of the school district by grades
14 maintained in the schools of the school district and such other reports as
15 the state board may require. Each such report shall show postsecondary
16 education enrollment, career technical education enrollment, special
17 education enrollment, bilingual education enrollment and low-income
18 student enrollment in such detail and form as is specified by the state
19 board. Upon receipt of such reports, the state board shall examine the
20 reports and if the state board finds any errors in any such report, the state
21 board shall consult with the school district officer furnishing the report and
22 make any necessary corrections in the report. On or before August 25 of
23 each year, each such clerk or superintendent shall also certify to the state
24 board a copy of the budget adopted by the school district.

25 New Sec. 10. (a) If the state board determines that the enrollment of a
26 school district in the preceding school year decreased from the enrollment
27 in the second preceding school year and that a disaster contributed to such
28 decrease, the enrollment of such school district in the second school year
29 following the school year in which the enrollment of the school district
30 was first affected by the disaster shall be the greater of:

31 (1) The enrollment of preschool-aged low-income students, if any,
32 plus the average of the enrollment for the current and the preceding three
33 school years, excluding the enrollment of preschool-aged low-income
34 students in each such year; or

35 (2) the enrollment of the school district as defined in section 4, and
36 amendments thereto.

37 (b) As used in this section, "disaster" means the occurrence of
38 widespread or severe damage, injury or loss of life or property resulting
39 from flood, earthquake, tornado, wind, storm, drought, blight or
40 infestation.

41 New Sec. 11. (a) Each school year, the state board shall:

42 (1) Determine the number of students enrolled in each school district
43 on September 20 of the preceding school year;

1 (2) determine the number of military students enrolled in each school
2 district on September 20 of the preceding school year who were not
3 enrolled in such school district on February 20 of the same school year;

4 (3) determine the number of military students enrolled in each school
5 district on February 20 of the preceding school year who were not enrolled
6 in such school district on September 20 of the same school year; and

7 (4) subtract the number determined under subsection (a)(2) from the
8 number determined under subsection (a)(3).

9 (b) (1) If the number obtained under subsection (a)(4) is 25 or more,
10 an amount equal to the number obtained under subsection (a)(4) shall be
11 added to the number determined under subsection (a)(1). The sum is the
12 enrollment of the school district; or

13 (2) if the number obtained under subsection (a)(4) is at least 1% of
14 the number determined under subsection (a)(1), an amount equal to the
15 number obtained under subsection (a)(4) shall be added to the number
16 determined under subsection (a)(1). The sum is the enrollment of the
17 school district.

18 (c) The state board shall recompute the adjusted enrollment of the
19 school district and the general fund budget of the school district based on
20 the enrollment as determined under this section.

21 (d) School districts desiring to determine enrollment under this
22 section shall submit any documentation or information required by the
23 state board.

24 (e) As used in this section, the term "military student" means a person
25 who is a dependent of a full-time active duty member of the military
26 service or a dependent of a member of any of the United States military
27 reserve forces who has been ordered to active duty under 10 U.S.C. §§
28 12301, 12302 or 12304, or ordered to full-time active duty for a period of
29 more than 30 consecutive days under 32 U.S.C. §§ 502(f) or 512 for the
30 purposes of mobilizing for war, international peacekeeping missions,
31 national emergency or homeland defense activities.

32 New Sec. 12. Whenever a new school district has been established or
33 the boundaries of a school district have been changed, the state board shall
34 make appropriate revisions concerning the affected school districts as may
35 be necessary for the purposes of this act to reflect such establishment of a
36 school district or changes in boundaries. Such revisions shall be based on
37 the most reliable data obtainable from the superintendent of the school
38 district and the county clerk.

39 New Sec. 13. (a) (1) For the purposes of the education finance act,
40 state financial aid for any school district formed by consolidation in
41 accordance with the statutory provisions contained in article 87 of chapter
42 72 of the Kansas Statutes Annotated, and amendments thereto, shall be
43 computed by the state board by determining the amount of state financial

1 aid each of the former school districts that comprise the consolidated
2 school district received in the school year preceding the date the
3 consolidation was completed, and calculating the sum of such amounts.
4 The sum is the state financial aid of the consolidated school district for the
5 school year in which the consolidation was completed.

6 (2) If any of the former school districts had an enrollment of less than
7 150 students on September 20 of the school year preceding the
8 consolidation, the state financial aid of the newly consolidated school
9 district for the two school years following the school year in which the
10 consolidation was completed shall be the greater of: (A) The amount
11 received in the school year in which the consolidation was completed; or
12 (B) the amount the school district would receive under the education
13 finance act.

14 (3) If all of the former school districts had an enrollment of at least
15 150 students, but any had less than 200 students on September 20 of the
16 school year preceding the consolidation, the state financial aid of the
17 newly consolidated school district for the three school years following the
18 school year in which the consolidation was completed shall be the greater
19 of: (A) The amount received in the school year in which the consolidation
20 was completed; or (B) the amount the school district would receive under
21 the education finance act.

22 (4) If all of the former school districts had an enrollment of 200 or
23 more students on September 20 of the school year preceding the
24 consolidation, the state financial aid of the newly consolidated school
25 district for the four school years following the school year in which the
26 consolidation was completed shall be the greater of: (A) The amount
27 received in the school year in which the consolidation was completed; or
28 (B) the amount the school district would receive under the education
29 finance act.

30 (5) If the consolidation involved the consolidation of three or more
31 school districts, regardless of the number of students enrolled in the school
32 districts, the state financial aid of the newly consolidated school district for
33 the four school years following the school year in which the consolidation
34 was completed shall be the greater of: (A) The amount received in the
35 school year in which the consolidation was completed; or (B) the amount
36 the school district would receive under the education finance act.

37 (b) (1) The provisions of this subsection shall apply to school districts
38 that have been enlarged by the attachment of territory pursuant to the
39 procedure established in article 73 of chapter 72 of the Kansas Statutes
40 Annotated, and amendments thereto.

41 (2) For the purposes of the education finance act, state financial aid
42 for any school district to which this subsection applies shall be computed
43 by the state board of education as follows: (A) Determine the amount of

1 state financial aid each of the former school districts that comprise the
2 enlarged school district received in the school year preceding the date the
3 attachment was completed; and (B) add the amounts determined under
4 subparagraph (A). The sum is the state financial aid of the enlarged school
5 district for the school year in which the attachment is completed.

6 (3) If any of the former school districts had an enrollment of less than
7 150 students on September 20 of the school year preceding the attachment,
8 the state financial aid of the enlarged school district for the two school
9 years following the school year in which the attachment was completed
10 shall be the greater of: (A) The amount received in the school year in
11 which the attachment was completed; or (B) the amount the school district
12 would receive under the education finance act.

13 (4) If all of the former school districts had an enrollment of at least
14 150 students, but any had less than 200 students on September 20 of the
15 school year preceding the attachment, the state financial aid of the
16 enlarged school district for the three school years following the school
17 year in which the attachment was completed shall be the greater of: (A)
18 The amount received in the school year in which the attachment was
19 completed; or (B) the amount the school district would receive under the
20 education finance act.

21 (5) If all of the former school districts had an enrollment of 200 or
22 more students on September 20 of the school year preceding the
23 attachment, the state financial aid of the enlarged school district for the
24 four school years following the school year in which the attachment was
25 completed shall be the greater of: (A) The amount received in the school
26 year in which the attachment was completed; or (B) the amount the school
27 district would receive under the education finance act.

28 (6) If three or more school districts, regardless of the number of
29 students enrolled in the school districts, are disorganized and attached to a
30 single school district, the state financial aid of the enlarged school district
31 for the four school years following the school year in which the attachment
32 was completed shall be the greater of: (A) The amount received in the
33 school year in which the attachment was completed; or (B) the amount the
34 school district would receive under the education finance act.

35 (7) Except as specifically provided by this paragraph for the
36 allocation of state financial aid among school districts, the provisions of
37 paragraphs (1) through (6) shall be applicable to school districts to which
38 this paragraph applies. If a school district is disorganized in accordance
39 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
40 amendments thereto, and the territory of such school district is attached to
41 more than one school district, the state financial aid for each school district
42 to which any territory from the disorganized school district is attached,
43 shall be computed by the state board as follows: (A) Determine the amount

1 of state financial aid received by the former school district in the school
2 year preceding the date the disorganization and attachment was completed;
3 (B) determine the amount of state financial aid received by the enlarged
4 school district in the school year preceding the date the disorganization
5 and attachment was completed; (C) determine the assessed valuation of the
6 former school district in the school year preceding the date the
7 disorganization and attachment was completed; (D) determine the assessed
8 valuation of the territory attached to each enlarged school district; (E)
9 allocate the amount of the state financial aid received by the former school
10 district in the school year preceding the date the disorganization and
11 attachment was completed to each of the enlarged school districts in the
12 same proportion the assessed valuation of the territory attached to each
13 school district bears to the assessed valuation of the former school district;
14 and (F) add the amounts determined under subparagraphs (B) and (E). The
15 sum is the state financial aid of the enlarged school district for the school
16 year in which the attachment is completed.

17 New Sec. 14. (a) The board of each school district shall levy an ad
18 valorem tax upon the taxable tangible property of the school district in the
19 school years specified in subsection (b) for the purpose of:

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

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

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

31 (b) The tax required under subsection (a) shall be levied at a rate of
32 20 mills in the school years 2017-2018 and 2018-2019.

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

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

41 New Sec. 15. (a) In each school year, the board of any school district
42 may adopt, by resolution, a local option budget that does not exceed the
43 state prescribed percentage.

1 (b) Subject to the limitations of subsection (a), in each school year,
2 the board of any school district may adopt, by resolution, a local option
3 budget in an amount that does not exceed:

4 (1) The amount that the board was authorized to adopt under any
5 resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its
6 expiration; or

7 (2) the state-wide average for the preceding school year as
8 determined by the state board pursuant to subsection (i).

9 The adoption of a resolution pursuant to this section shall require a
10 majority vote of the members of the board. Such resolution shall be
11 effective upon adoption and shall require no other procedure, authorization
12 or approval.

13 (c) If the board of a school district desires to increase its local option
14 budget authority above the amount authorized under subsection (b), the
15 board may adopt, by resolution, such budget in an amount not to exceed
16 the state prescribed percentage. The adoption of a resolution pursuant to
17 this subsection shall require a majority vote of the members of the board.
18 The resolution shall be published at least once in a newspaper having
19 general circulation in the school district. The resolution shall be published
20 in substantial compliance with the following form:

21 Unified School District No. _____,
22 _____ County, Kansas.

23 RESOLUTION

24 Be It Resolved that:

25 The board of education of the above-named school district shall be
26 authorized to adopt a local option budget in each school year in an amount
27 not to exceed ____% of the amount of state financial aid. The local option
28 budget authorized by this resolution may be adopted, unless a petition in
29 opposition to the same, signed by not less than 5% of the qualified electors
30 of the school district, is filed with the county election officer of the home
31 county of the school district within 30 days after publication of this
32 resolution. If a petition is filed, the county election officer shall submit the
33 question of whether adoption of the local option budget shall be authorized
34 to the electors of the school district at an election called for the purpose or
35 at the next general election, as is specified by the board of education of the
36 school district.

37 CERTIFICATE

38 This is to certify that the above resolution was duly adopted by the
39 board of education of unified school district No. _____, _____ County,
40 Kansas, on the ____ day of _____, _____.

41 _____
42 Clerk of the board of education.
43

1 All of the blanks in the resolution shall be filled appropriately. If a
2 sufficient petition is not filed, the board may adopt a local option budget.
3 If a sufficient petition is filed, the board may notify the county election
4 officer of the date of an election to be held to submit the question of
5 whether adoption of a local option budget shall be authorized. Any such
6 election shall be noticed, called and held in the manner provided by K.S.A.
7 10-120, and amendments thereto. If the board fails to notify the county
8 election officer within 30 days after a sufficient petition is filed, the
9 resolution shall be deemed abandoned and no like resolution shall be
10 adopted by the board within the nine months following publication of the
11 resolution.

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

22 (e) The board of any school district may initiate procedures to renew
23 or increase the authority to adopt a local option budget at any time during
24 a school year after the tax levied pursuant to section 19, and amendments
25 thereto, is certified to the county clerk under any existing authorization.

26 (f) The board of any school district authorized to adopt a local option
27 budget prior to July 1, 2017, under a resolution that authorized the
28 adoption of such budget in accordance with the provisions of K.S.A. 2016
29 Supp. 72-6471, prior to its expiration, may continue to operate under such
30 resolution for the period of time specified in the resolution or may
31 abandon the resolution and operate under the provisions of this section.
32 Any such school district shall operate under the provisions of this section
33 after the period of time specified in any previously adopted resolution has
34 expired.

35 (g) 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 (h) (1) There is hereby established in each school district that adopts a
42 supplemental general fund, which shall consist of all amounts deposited
43 therein or credited thereto according to law.

1 (2) Subject to the limitations imposed under subsection (h)(3),
2 amounts in the supplemental general fund may be expended for any
3 purpose for which expenditures from the general fund are authorized or
4 may be transferred to any program weighted fund or categorical fund of
5 the school district. Amounts in the supplemental general fund attributable
6 to any percentage over 25% of state financial aid determined for the
7 current school year may be transferred to the capital improvements fund of
8 the school district and the capital outlay fund of the school district if such
9 transfers are specified in the resolution authorizing the adoption of a local
10 option budget in excess of 25%.

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

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

19 (B) If the school district received supplemental general state aid in
20 the school year, the state board shall determine the ratio of the amount of
21 supplemental general state aid received to the amount of the local option
22 budget of the school district for the school year and multiply the total
23 amount of the unexpended moneys remaining by such ratio. An amount
24 equal to the amount of the product shall be transferred to the general fund
25 of the school district or remitted to the state treasurer in accordance with
26 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt
27 of any such remittance, the state treasurer shall deposit the same in the
28 state treasury to the credit of the state school district finance fund.

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

32 (j) The provisions of this section shall be subject to the provisions of
33 section 16, and amendments thereto.

34 (k) As used in this section:

35 (1) "Authorized to adopt a local option budget" means that a school
36 district has adopted a resolution pursuant to subsection (c).

37 (2) "State financial aid" shall have the meaning provided in section 4,
38 and amendments thereto.

39 (3) "State prescribed percentage" means 33% of state financial aid of
40 the school district in the current school year.

41 New Sec. 16. (a) (1) The provisions of this subsection shall apply in
42 any school year in which the amount of foundation state aid per student is
43 \$4,490 or less.

1 (2) The board of any school district may adopt a local option budget
2 that does not exceed the local option budget calculated as if the foundation
3 state aid per student was \$4,490, or that does not exceed the local option
4 budget as calculated pursuant to section 15, and amendments thereto,
5 whichever is greater.

6 (b) The board of any school district may adopt a local option budget
7 that does not exceed the local option budget calculated as if the school
8 district received state aid for special education and related services equal
9 to the amount of state aid for special education and related services
10 received in school year 2008-2009, or that does not exceed the local option
11 budget as calculated pursuant to section 15, and amendments thereto,
12 whichever is greater.

13 (c) The board of any school district may exercise the authority
14 granted under subsection (a) or (b) or both subsections (a) and (b).

15 (d) To the extent that the provisions of section 15, and amendments
16 thereto, conflict with this section, this section shall control.

17 New Sec. 17. (a) In each school year, each school district that has
18 adopted a local option budget is eligible to receive supplemental general
19 state aid. Except as provided by section 18, and amendments thereto,
20 supplemental general state aid shall be determined by the state board as
21 provided in subsection (b).

22 (b) The state board shall:

23 (1) (A) For school year 2017-2018, determine the amount of the
24 assessed valuation per student in the preceding school year of each school
25 district; and

26 (B) for school year 2018-2019 and each school year thereafter,
27 determine the average assessed valuation per student of each school
28 district by adding the assessed valuation per student for each of the three
29 immediately preceding school years and dividing the resulting sum by
30 three;

31 (2) rank the school districts from low to high on the basis of the
32 amounts of assessed valuation per student determined under subsection (b)
33 (1);

34 (3) identify the amount of the assessed valuation per student located
35 at the 81.2 percentile of the amounts ranked under subsection (b)(2);

36 (4) divide the assessed valuation per student of the school district as
37 determined under subsection (b)(1) by the amount identified under
38 subsection (b)(3); and

39 (5) (A) If the quotient obtained under subsection (b)(4) equals or
40 exceeds one, the school district shall not receive supplemental general
41 state aid; or

42 (B) if the quotient obtained under subsection (b)(4) is less than one,
43 subtract the quotient obtained under subsection (b)(4) from one, and

1 multiply the difference by the amount of the local option budget of the
2 school district for the immediately preceding school year. The resulting
3 product is the amount of supplemental general state aid the school district
4 is to receive for the school year.

5 (c) If the amount of appropriations for supplemental general state aid
6 is less than the aggregate amount all school districts are to receive for the
7 school year, the state board shall prorate the amount appropriated among
8 the school districts in proportion to the amount each school district is to
9 receive.

10 (d) Payments of supplemental general state aid shall be distributed to
11 school districts on the dates prescribed by the state board. The state board
12 shall certify to the director of accounts and reports the amount due each
13 school district, and the director of accounts and reports shall draw a
14 warrant on the state treasurer payable to the treasurer of the school district.
15 Upon receipt of the warrant, the treasurer of the school district shall credit
16 the amount thereof to the supplemental general fund of the school district
17 to be used for the purposes of such fund.

18 (e) For the purposes of determining the total amount of state moneys
19 paid to school districts, all moneys appropriated as supplemental general
20 state aid shall be deemed to be state moneys for educational and support
21 services for school districts.

22 New Sec. 18. (a) (1) For the purposes of determining the amount of
23 supplemental general state aid, the state board shall determine the ranking
24 of each of the former school districts of which the school district is
25 composed as required by section 17(b)(2), and amendments thereto, for the
26 school year prior to the effectuation of the consolidation or attachment.

27 (2) For the school year in which the consolidation or attachment is
28 effectuated and the next succeeding two school years, the ranking of the
29 school district for the purposes of section 17(b)(2), and amendments
30 thereto, shall be the ranking of the school district receiving the highest
31 amount of supplemental general state aid determined under subsection (a)
32 (1).

33 (b) The provisions of this section shall apply to school districts that
34 have consolidated or disorganized on and after July 1, 2004.

35 (c) As used in this section, "school district" means: (1) Any school
36 district formed by consolidation in accordance with article 87 of chapter
37 72 of the Kansas Statutes Annotated, and amendments thereto; or (2) any
38 school district formed by disorganization and attachment in accordance
39 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
40 amendments thereto, if all the territory which comprised a disorganized
41 school district is attached to a single school district.

42 New Sec. 19. (a) In each school year, the board of each school district
43 that has adopted a local option budget may levy an ad valorem tax on the

1 taxable tangible property of the school district for the purposes of:

2 (1) Financing that portion of the school district's local option budget
3 that is not financed from any other source provided by law;

4 (2) paying a portion of the principal and interest on bonds issued by
5 cities under authority of K.S.A. 12-1774, and amendments thereto, for the
6 financing of redevelopment projects upon property located within the
7 school district; and

8 (3) funding transfers to the capital improvement fund of the school
9 district and the capital outlay fund of the school district if such transfers
10 are specified in the resolution authorizing the adoption of a local option
11 budget in excess of 25% of state financial aid determined for the current
12 school year.

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

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

22 New Sec. 20. (a) The transportation weighting of each school district
23 shall be determined by the state board as follows:

24 (1) Determine the total expenditures of the school district during the
25 preceding school year from all funds for transporting students of public
26 and nonpublic schools on regular school routes;

27 (2) divide the amount determined under subsection (a)(1) by the total
28 number of students who were included in the enrollment of the school
29 district in the preceding school year and for whom transportation was
30 made available by the school district;

31 (3) multiply the quotient obtained under subsection (a)(2) by the total
32 number of students who were included in the enrollment of the school
33 district in the preceding school year, were residing less than the designated
34 distance by the usually traveled road from the school building they
35 attended, and for whom transportation was made available by the school
36 district;

37 (4) multiply the product obtained under subsection (a)(3) by 50%;

38 (5) subtract the product obtained under subsection (a)(4) from the
39 amount determined under subsection (a)(1);

40 (6) divide the remainder obtained under subsection (a)(5) by the total
41 number of students who were included in the enrollment of the school
42 district in the preceding school year, were residing the designated distance
43 or more by the usually traveled road from the school building they

1 attended and for whom transportation was made available by the school
2 district. The quotient is the per-student cost of transportation;

3 (7) on a density-cost graph, plot the per-student cost of transportation
4 for each school district;

5 (8) construct a curve of best fit for the points so plotted;

6 (9) locate the index of density for the school district on the base line
7 of the density-cost graph and from the point on the curve of best fit
8 directly above this point of index of density follow a line parallel to the
9 base line to the point of intersection with the vertical line, which point is
10 the formula per-student cost of transportation of the school district;

11 (10) divide the formula per-student cost of transportation of the
12 school district by foundation state aid per student;

13 (11) multiply the quotient obtained under subsection (a)(10) by the
14 number of students who are included in the enrollment of the school
15 district, are residing the designated distance or more by the usually
16 traveled road to the school building they attend, and for whom
17 transportation is actually provided by, and at the expense of, the school
18 district. The product is the transportation weighting of the school district.

19 (b) For the purpose of providing accurate and reliable data on student
20 transportation, the state board is authorized to adopt rules and regulations
21 prescribing procedures that school districts shall follow in reporting
22 pertinent information, including uniform reporting of expenditures for
23 transportation.

24 (c) As used in this section:

25 (1) "Curve of best fit" means the curve on a density-cost graph drawn
26 so the sum of the distances squared from such line to each of the points
27 plotted on the graph is the least possible.

28 (2) "Density-cost graph" means a drawing having: (1) A horizontal or
29 base line divided into equal intervals of density, beginning with zero on the
30 left; and (2) a scale for per-student cost of transportation to be shown on a
31 line perpendicular to the base line at the left end thereof, such scale to
32 begin with zero dollars at the base line ascending by equal per-student cost
33 intervals.

34 (3) "Designated distance" means:

35 (A) For school year 2017-2018, 2 $\frac{1}{2}$ miles;

36 (B) For school year 2018-2019, 2 miles;

37 (C) For school year 2019-2020, 1 $\frac{1}{2}$ miles;

38 (D) For school year 2020-2021 and each school year thereafter, 1
39 mile.

40 (4) "Index of density" means the number of students who are
41 included in the enrollment of a school district in the current school year,
42 are residing the designated distance or more by the usually traveled road
43 from the school building they attend, and for whom transportation is being

1 made available on regular school routes by the school district, divided by
2 the number of square miles of territory in the school district.

3 New Sec. 21. The low enrollment weighting shall be determined by
4 the state board as follows:

5 (a) For school districts with an enrollment of 1,622 or more, the low
6 enrollment weighting shall be 0;

7 (b) for school districts with an enrollment of less than 100, the low
8 enrollment weighting shall be equal to the low enrollment weighting of a
9 school district with an enrollment of 100;

10 (c) for school districts with an enrollment of less than 1,622 and more
11 than 99, the low enrollment weighting shall be determined as follows:

12 (1) Determine the low enrollment weighting for such school districts
13 for school year 2004-2005;

14 (2) multiply the low enrollment weighting of each school district
15 determined under subsection (c)(1) by 3,863;

16 (3) add 3,863 to the product obtained under subsection (c)(2);

17 (4) divide the sum obtained under subsection (c)(3) by 4,107; and

18 (5) subtract one from the quotient obtained under subsection (c)(4).

19 The difference shall be the low enrollment weighting of the school district.

20 New Sec. 22. The high enrollment weighting of each school district
21 with an enrollment of 1,622 or more shall be determined by the state board
22 as follows:

23 (a) Determine the schedule amount for a school district with an
24 enrollment of 1,622 as derived from the linear transition under section
25 21(c), and amendments thereto, and subtract the amount determined under
26 section 21(b), and amendments thereto, from the schedule amount so
27 determined;

28 (b) divide the remainder obtained under subsection (a) by the amount
29 determined under section 21(b), and amendments thereto; and

30 (c) multiply the quotient obtained under subsection (b) by the
31 enrollment of the school district in the current school year. The product is
32 the high enrollment weighting of the school district.

33 New Sec. 23. (a) The program weighting of each school district shall
34 be determined by the state board as follows:

35 (1) Determine the full-time equivalent enrollment in approved
36 programs of bilingual education during the preceding school year and
37 multiply such enrollment by 0.395;

38 (2) determine the full-time equivalent enrollment in approved career
39 technical education programs during the preceding school year and
40 multiply such enrollment by 0.5;

41 (3) add the products obtained under subsections (a)(1) and (a)(2). The
42 sum is the program weighting of the school district.

43 (b) A school district may expend amounts received from the bilingual

1 weighting to pay the cost of providing at-risk and preschool-aged at-risk
2 education programs and services.

3 New Sec. 24. (a) For each school year in which such weighting may
4 be assigned to the enrollment of the school district, the school facilities
5 weighting of such school district shall be determined as follows:

6 (1) Determine the number of students included in the enrollment of
7 the school district who are attending a new school facility;

8 (2) multiply the number of students determined under subsection (a)
9 (1) by 0.25. The product is the school facilities weighting of the school
10 district.

11 (b) The school facilities weighting may be assigned to the enrollment
12 of a school district only if:

13 (1) The school district has adopted a local option budget in an amount
14 equal to at least 25% of the amount of the state financial aid determined
15 for the school district in the current school year; and

16 (2) (A) The contractual bond obligations incurred by the school
17 district were approved by the electors of the school district at an election
18 held on or before July 1, 2017; or

19 (B) the school district commences operation of a new school facility
20 in school year 2017-2018 or 2018-2019 and the construction of such
21 facility was financed primarily with federal funds and such facility is
22 located on a military reservation.

23 (c) The school facilities weighting may be assigned to the enrollment
24 of the school district only in the school year in which operation of a new
25 school facility is commenced and in the next succeeding school year.

26 New Sec. 25. The special education and related services weighting of
27 each school district shall be determined by the state board as follows:

28 (a) Add the amount of payments received by the school district under
29 the provisions of K.S.A. 72-979, and amendments thereto, to the amount
30 of any grant received by the school district under the provisions of K.S.A.
31 72-983, and amendments thereto; and

32 (b) divide the sum obtained under subsection (a) by the foundation
33 state aid per student. The quotient is the special education and related
34 services weighting of the school district.

35 New Sec. 26. (a) For school years 2017-2018 and 2018-2019, the
36 low-income student weighting of each school district shall be determined
37 by the state board by multiplying the number of low-income students
38 included in the enrollment of the school district by 0.456. The product is
39 the low-income student weighting of the school district.

40 (b) For school year 2019-2020, and each school year thereafter, the
41 low-income student weighting shall be determined by the state board by
42 multiplying the poverty rate of the school district for children age five
43 through 17 as determined by the United States census bureau for the

1 second preceding calendar year by 0.912.

2 (c) A school district may expend amounts received from the low-
3 income student weighting to pay the cost of providing preschool-aged at-
4 risk, bilingual and career technical education programs and services.

5 New Sec. 27. (a) The high-density low-income student weighting of
6 each school district shall be determined by the state board in accordance
7 with this section.

8 (b) (1) If the enrollment of the school district is at least 35%, but less
9 than 50% low-income students, the state board shall:

10 (A) Subtract 35% from the percentage of low-income student
11 enrollment in the school district;

12 (B) multiply the amount determined under subsection (b)(1)(A) by
13 0.7; and

14 (C) multiply the enrollment of low-income students in the school
15 district by the product determined under subsection (b)(1)(B). The
16 resulting product is the high-density low-income student weighting of the
17 school district; or

18 (2) if the enrollment of the school district is 50% or more low-income
19 students, the state board shall multiply the number of low-income students
20 by 0.105. The resulting product is the high-density low-income student
21 weighting of the school district.

22 New Sec. 28. (a) There is hereby established in every school district
23 an at-risk education fund, which shall consist of all moneys deposited
24 therein or transferred thereto according to law. The expenses of a school
25 district directly attributable to providing at-risk student assistance or
26 programs shall be paid from the at-risk education fund.

27 (b) (1) Any balance remaining in the at-risk education fund at the end
28 of the budget year shall be carried forward into the at-risk education fund
29 for succeeding budget years. Such fund shall not be subject to the
30 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
31 In preparing the budget of such school district, the amounts credited to and
32 the amount on hand in the at-risk education fund, and the amount
33 expended therefrom shall be included in the annual budget for the
34 information of the residents of the school district.

35 (2) Any unencumbered balance of moneys remaining in the at-risk
36 education fund of a school district on June 30 of the current school year,
37 may be expended in the school year that immediately succeeds such date
38 by the school district for general operating expenses of the school district
39 as approved by the board.

40 (c) Each year the board of each school district shall prepare and
41 submit to the state board a report on the at-risk student assistance or
42 programs provided by the school district. Such report shall include the
43 number of students who were served or provided assistance, the type of

1 service provided, the research upon which the school district relied in
2 determining that a need for service or assistance existed, the results of
3 providing such service or assistance and any other information required by
4 the state board.

5 (d) In order to achieve uniform reporting of the number of students
6 provided service or assistance by school districts in at-risk student
7 programs, school districts shall report the number of students served or
8 assisted in the manner required by the state board.

9 New Sec. 29. (a) There is hereby established in every school district a
10 preschool-aged at-risk education fund, which shall consist of all moneys
11 deposited therein or transferred thereto according to law. The expenses of a
12 school district directly attributable to providing preschool-aged at-risk
13 assistance or programs shall be paid from the preschool-aged at-risk
14 education fund.

15 (b) A school district may expend amounts received from the
16 preschool-aged low-income weighting to pay the cost of providing at-risk,
17 bilingual and career technical education programs and services.

18 (c) (1) Any balance remaining in the preschool-aged at-risk education
19 fund at the end of the budget year shall be carried forward into the
20 preschool-aged at-risk education fund for succeeding budget years. Such
21 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
22 2937, and amendments thereto. In preparing the budget of such school
23 district, the amounts credited to and the amount on hand in the preschool-
24 aged at-risk education fund, and the amount expended therefrom shall be
25 included in the annual budget for the information of the residents of the
26 school district.

27 (2) Any unencumbered balance of moneys remaining in the
28 preschool-aged at-risk education fund of a school district on June 30 of the
29 current school year, may be expended in the school year that immediately
30 succeeds such date by the school district for general operating expenses of
31 the school district as approved by the board.

32 (d) Each year the board of each school district shall prepare and
33 submit to the state board a report on the preschool-aged at-risk student
34 assistance or programs provided by the school district. Such report shall
35 include the number of students who were served or provided assistance,
36 the type of service provided, the research upon which the school district
37 relied in determining that a need for service or assistance existed, the
38 results of providing such service or assistance and any other information
39 required by the state board.

40 New Sec. 30. For the purpose of determining the general fund budget
41 of a school district, weightings shall not be assigned to a student enrolled
42 in and attending KAMS. Moneys in the general fund that are attributable
43 to a student enrolled in and attending KAMS shall not be included in the

1 computation of the local option budget of the school district.

2 New Sec. 31. (a) (1) The board of any school district to which the
3 provisions of this subsection apply may levy an ad valorem tax on the
4 taxable tangible property of the school district each year for a period of
5 time not to exceed two years in an amount not to exceed the amount
6 authorized by the state board of tax appeals under this subsection for the
7 purpose of financing the costs incurred by the state that are directly
8 attributable to assignment of ancillary school facilities weighting to the
9 enrollment of the school district. The state board of tax appeals may
10 authorize the school district to make a levy that will produce an amount
11 that is not greater than the difference between the amount of costs directly
12 attributable to commencing operation of one or more new school facilities
13 and the amount that is financed from any other source provided by law for
14 such purpose, including any amount attributable to assignment of school
15 facilities weighting to the enrollment of the school district for each school
16 year in which the school district is eligible for such weighting. If the
17 school district is not eligible, or will be ineligible, for school facilities
18 weighting in any one or more years during the two-year period for which
19 the school district is authorized to levy a tax under this subsection, the
20 state board of tax appeals may authorize the school district to make a levy,
21 in such year or years of ineligibility, that will produce an amount that is
22 not greater than the actual amount of costs attributable to commencing
23 operation of the facility or facilities.

24 (2) The state board of tax appeals shall certify to the state board the
25 amount authorized to be produced by the levy of a tax under this
26 subsection.

27 (3) The state board of tax appeals may adopt rules and regulations
28 necessary to effectuate the provisions of this subsection, including rules
29 and regulations relating to the evidence required in support of a school
30 district's claim that the costs attributable to commencing operation of one
31 or more new school facilities are in excess of the amount that is financed
32 from any other source provided by law for such purpose.

33 (4) The provisions of this subsection apply to any school district that:

34 (A) Commenced operation of one or more new school facilities in the
35 school year preceding the current school year or has commenced or will
36 commence operation of one or more new school facilities in the current
37 school year;

38 (B) is authorized to adopt and has adopted a local option budget that
39 is at least equal to that amount required to qualify for school facilities
40 weighting under section 24, and amendments thereto; or

41 (C) is experiencing extraordinary enrollment growth as determined by
42 the state board.

43 (b) The board of any school district that has levied an ad valorem tax

1 on the taxable tangible property of the school district each year for a
2 period of two years under authority of subsection (a) may continue to levy
3 such tax under authority of this subsection each year for an additional
4 period of time not to exceed six years in an amount not to exceed the
5 amount computed by the state board as provided in this subsection if the
6 board of the school district determines that the costs attributable to
7 commencing operation of one or more new school facilities are
8 significantly greater than the costs attributable to the operation of other
9 school facilities in the school district. The tax authorized under this
10 subsection may be levied at a rate that will produce an amount that is not
11 greater than the amount computed by the state board as provided in this
12 subsection. In computing such amount, the state board shall:

13 (1) Determine the amount produced by the tax levied by the school
14 district under authority of subsection (a) in the second year for which such
15 tax was levied and add to such amount the amount of general state aid
16 directly attributable to school facilities weighting that was received by the
17 school district in the same year;

18 (2) compute 90% of the amount of the sum obtained under subsection
19 (b)(1), which computed amount is the amount the school district may levy
20 in the first year of the six-year period for which the school district may
21 levy a tax under authority of this subsection;

22 (3) compute 75% of the amount of the sum obtained under subsection
23 (b)(1), which computed amount is the amount the school district may levy
24 in the second year of the six-year period for which the school district may
25 levy a tax under authority of this subsection;

26 (4) compute 60% of the amount of the sum obtained under subsection
27 (b)(1), which computed amount is the amount the school district may levy
28 in the third year of the six-year period for which the school district may
29 levy a tax under authority of this subsection;

30 (5) compute 45% of the amount of the sum obtained under subsection
31 (b)(1), which computed amount is the amount the school district may levy
32 in the fourth year of the six-year period for which the school district may
33 levy a tax under authority of this subsection;

34 (6) compute 30% of the amount of the sum obtained under subsection
35 (b)(1), which computed amount is the amount the school district may levy
36 in the fifth year of the six-year period for which the school district may
37 levy a tax under authority of this subsection; and

38 (7) compute 15% of the amount of the sum obtained under subsection
39 (b)(1), which computed amount is the amount the school district may levy
40 in the sixth year of the six-year period for which the school district may
41 levy a tax under authority of this subsection.

42 In determining the amount produced by the tax levied by the school
43 district under authority of subsection (a), the state board shall include any

1 moneys apportioned to the ancillary facilities fund of the school district
2 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
3 5118 et seq., and amendments thereto.

4 (c) The proceeds from any tax levied by a school district under
5 authority of this section shall be remitted to the state treasurer in
6 accordance with the provisions of K.S.A. 75-4215, and amendments
7 thereto. Upon receipt of each such remittance, the state treasurer shall
8 deposit the entire amount in the state treasury to the credit of the state
9 school district finance fund.

10 (d) The ancillary school facilities weighting may be assigned to the
11 enrollment of a school district only if the school district has levied a tax
12 under the authority of subsection (a), and remitted the proceeds from such
13 tax to the state treasurer. The ancillary school facilities weighting is in
14 addition to assignment of school facilities weighting to the enrollment of a
15 school district eligible for such weighting. The ancillary school facilities
16 weighting of each school district shall be determined in each school year
17 in which such weighting may be assigned to the enrollment of the school
18 district as follows:

19 (1) Add the amount to be produced by a tax levy as authorized under
20 subsection (a) and certified to the state board by the state board of tax
21 appeals to the amount computed under subsection (b) to be produced by a
22 tax levy, if any; and

23 (2) divide the sum obtained under subsection (d)(1) by the foundation
24 state aid per student. The quotient is the ancillary school facilities
25 weighting of the school district.

26 New Sec. 32. (a) Subject to subsection (b), the board of any school
27 district may levy a tax on the taxable tangible property within the school
28 district for the purpose of financing the costs incurred by the state that are
29 attributable directly to assignment of the cost-of-living weighting to the
30 enrollment of the school district.

31 (b) The state board shall determine whether a school district may levy
32 a tax under this section as follows:

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

35 (2) multiply the amount determined under subsection (b)(1) by 1.25;

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

39 (4) subtract the amount determined under subsection (b)(2) from the
40 amount determined under subsection (b)(3). If the amount determined for
41 the school district is a positive number and the school district has adopted
42 a local option budget in an amount equal to at least 31% of the state
43 financial aid for the school district, the school district qualifies for

1 assignment of cost-of-living weighting and may levy a tax on the taxable
2 tangible property of the school district for the purpose of financing the
3 costs that are attributable directly to assignment of the cost-of-living
4 weighting to the enrollment of the school district.

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

10 Unified School District No. _____,
11 _____ County, Kansas.

12 RESOLUTION

13 Be It Resolved that:

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

27 CERTIFICATE

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

31 _____
32 Clerk of the board of education.
33

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

1 pursuant to this provision are in favor of the resolution, such resolution
2 shall be effective on the date of such election. If a majority of the votes
3 cast are not in favor of the resolution, the resolution shall be deemed of no
4 effect and no like resolution shall be adopted by the board within the nine
5 months following such election.

6 (d) There is hereby established in every school district a cost-of-
7 living fund, which shall consist of all moneys deposited therein or
8 transferred thereto in accordance with law. All moneys derived from a tax
9 imposed pursuant to this section shall be credited to the cost-of-living
10 fund. The proceeds from the tax levied by a school district credited to the
11 cost-of-living fund shall be remitted to the state treasurer in accordance
12 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
13 receipt of each such remittance, the state treasurer shall deposit the entire
14 amount in the state treasury to the credit of the state school district finance
15 fund.

16 (e) In determining the amount produced by the tax levied by the
17 school district under the authority of this section, the state board shall
18 include any moneys apportioned to the cost-of-living fund of the school
19 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
20 and 79-5118 et seq., and amendments thereto.

21 (f) The cost-of-living weighting of a school district shall be
22 determined by the state board in each school year in which such weighting
23 may be assigned to the enrollment of the school district as follows:

24 (1) Divide the amount determined under subsection (b)(4) by the
25 amount determined under subsection (b)(2);

26 (2) multiply the quotient determined under subsection (f)(1) by 0.095;

27 (3) multiply the school district's state financial aid for the current
28 school year, excluding the amount determined under this provision, by the
29 lesser of the product determined under subsection (f)(2) or 0.05; and

30 (4) divide the product determined under subsection (f)(3) by the
31 foundation state aid per student for the current school year. The quotient is
32 the cost-of-living weighting of the school district.

33 New Sec. 33. (a) (1) The board of any school district may levy an ad
34 valorem tax on the taxable tangible property of the school district each
35 year for a period of time not to exceed two years, unless authority to make
36 such levy is renewed by the state board of tax appeals, in an amount not to
37 exceed the amount authorized by the state board of tax appeals under this
38 section for the purpose of financing the costs incurred by the state that are
39 directly attributable to assignment of declining enrollment weighting to the
40 enrollment of the school district. The state board of tax appeals may
41 authorize the school district to make a levy that will produce an amount
42 that is not greater than the amount of revenues lost as a result of the
43 declining enrollment of the school district. Such amount shall not exceed

1 5% of the general fund budget of the school district in the school year in
2 which the school district applies to the state board of tax appeals for
3 authority to make a levy pursuant to this subsection. The state board of tax
4 appeals may renew the authority to make such levy for periods of time not
5 to exceed two years.

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

8 (3) The state board shall prescribe guidelines for the data that school
9 districts shall include in cases before the state board of tax appeals
10 pursuant to this section. The state board shall provide to the state board of
11 tax appeals such school data and information requested by the state board
12 of tax appeals and any other information deemed necessary by the state
13 board.

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

24 (c) In determining the amount produced by the tax levied by the
25 school district under authority of this section, the state board shall include
26 any moneys apportioned to the declining enrollment fund of the school
27 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
28 and 79-5118 et seq., and amendments thereto.

29 (d) The declining enrollment weighting of a school district shall be
30 determined by the state board in each school year in which such weighting
31 may be assigned to the enrollment of the school district. The state board
32 shall divide the amount certified under subsection (a)(2) by the foundation
33 state aid per student. The resulting quotient is the declining enrollment
34 weighting of the school district.

35 (e) As used in this section:

36 (1) "Declining enrollment" means an enrollment that has declined in
37 amount from that of the preceding school year.

38 (2) "School district" means a school district that: (A) Has a declining
39 enrollment; and (B) has adopted a local option budget in an amount that
40 equals at least 31% of the state financial aid for the school district at the
41 time the school district applies to the state board of tax appeals for
42 authority to make a levy pursuant to this section.

43 New Sec. 34. (a) There is hereby established in every school district a

1 special education fund, which shall consist of all moneys deposited therein
2 or transferred thereto according to law. Notwithstanding any other
3 provision of law, all moneys received by the school district from any
4 source for special education shall be credited to the special education fund
5 established by this section, except that: (1) Amounts of payments received
6 by a school district under K.S.A. 72-979, and amendments thereto, and
7 amounts of grants received by a school district under K.S.A. 72-983, and
8 amendments thereto, shall be deposited in the general fund of the school
9 district and transferred to the special education fund; and (2) moneys
10 received by a school district pursuant to lawful agreements made under
11 K.S.A. 72-968, and amendments thereto, shall be credited to the special
12 fund established under such agreements.

13 (b) The expenses of a school district directly attributable to special
14 education shall be paid from the special education fund and from special
15 funds established under K.S.A. 72-968, and amendments thereto.

16 (c) Obligations of a school district pursuant to lawful agreements
17 made under K.S.A. 72-968, and amendments thereto, shall be paid from
18 the special education fund established by this section.

19 (d) Except for moneys received under K.S.A. 72-978, and
20 amendments thereto, from agreements entered into under K.S.A. 72-968,
21 and amendments thereto, any unencumbered balance of moneys
22 attributable to appropriations by the legislature for special education or
23 related services remaining in the special education fund of a school district
24 on June 30 of the current school year may be expended in the school year
25 that immediately succeeds such date by the school district for general
26 operating expenses of the school district as approved by the board in an
27 amount not to exceed $\frac{1}{3}$ of the unencumbered balance of the school
28 district's special education fund.

29 New Sec. 35. (a) There is hereby established in every school district a
30 career technical education fund, which shall consist of all moneys
31 deposited therein or transferred thereto according to law. All moneys
32 received by a school district for any course or program authorized and
33 approved under the provisions of article 44 of chapter 72 of the Kansas
34 Statutes Annotated, and amendments thereto, except for courses and
35 programs conducted in an area vocational school, shall be credited to the
36 career technical education fund. All moneys received by the school district
37 from tuition, fees or charges or from any other source for career technical
38 education courses or programs, except for courses and programs
39 conducted in an area vocational school, shall be credited to the career
40 technical education fund. The expenses of a school district directly
41 attributable to career technical education shall be paid from the career
42 technical education fund.

43 (b) (1) Any balance remaining in the career technical education fund

1 at the end of the budget year shall be carried forward into the career
2 technical education fund for succeeding budget years. Such fund shall not
3 be subject to the provisions of K.S.A. 79-2925 through 79-2937, and
4 amendments thereto. In preparing the budget of such school district, the
5 amounts credited to and the amount on hand in the career technical
6 education fund, and the amount expended therefrom shall be included in
7 the annual budget for the information of the residents of the school district.

8 (2) Any unencumbered balance of moneys attributable to
9 appropriations by the legislature in the career technical education fund of a
10 school district on June 30 of the current school year may be expended in
11 the school year that immediately succeeds such date by the school district
12 for general operating expenses of the school district as approved by the
13 board.

14 New Sec. 36. (a) There is hereby established in every school district a
15 driver training fund, which shall consist of all moneys deposited therein or
16 transferred thereto according to law. All moneys received by the school
17 district from distributions made from the state safety fund and the
18 motorcycle safety fund and from tuition, fees or charges for driver training
19 courses shall be credited to the driver training fund. The expenses of a
20 school district directly attributable to driver training shall be paid from the
21 driver training fund.

22 (b) Any unencumbered balance of moneys remaining in the driver
23 training fund of a school district on June 30 of the current school year may
24 be expended in the school year that immediately succeeds such date by the
25 school district for general operating expenses of the school district as
26 approved by the board.

27 New Sec. 37. There is hereby established in every school district a
28 food service fund, which shall consist of all moneys deposited therein or
29 transferred thereto according to law. All moneys received by the school
30 district for food service and from charges for food service shall be credited
31 to the food service fund. The expenses of a school district attributable to
32 food service shall be paid from the food service fund.

33 New Sec. 38. (a) There is hereby established in every school district a
34 contingency reserve fund, which shall consist of all moneys deposited
35 therein or transferred thereto according to law. The fund shall be
36 maintained for payment of expenses of a school district attributable to
37 financial contingencies as determined by the board.

38 (b) Any unencumbered balance of moneys remaining in the
39 contingency reserve fund of a school district on June 30 of the current
40 school year may be expended in the school year that immediately succeeds
41 such date by the school district for general operating expenses of the
42 school district as approved by the board.

43 New Sec. 39. (a) Except as otherwise provided in this section, any

1 revenues of a school district, not required by law to be deposited in or
2 credited to a specific fund, shall be deposited in or credited to any program
3 weighted fund or any categorical fund of the school district or to the
4 capital outlay fund of the school district.

5 (b) At the discretion of the board of any school district, revenues
6 earned from the investment of an activity fund of the school district in
7 accordance with the provisions of K.S.A. 12-1675, and amendments
8 thereto, may be deposited in or credited to such activity fund.

9 (c) (1) At the discretion of the board of any school district and subject
10 to subsection (c)(2), any revenues specified in subsections (a) and (b) may
11 be deposited in or credited to the general fund of the school district in any
12 school year for which the allotment system authorized under K.S.A. 75-
13 3722, and amendments thereto, has been inaugurated and applied to
14 appropriations made for general state aid, or in any school year for which
15 any portion of the appropriations made for general state aid are lapsed by
16 an act of the legislature.

17 (2) In no event may the amount of revenues deposited in or credited
18 to the general fund of the school district under authority of subsection (c)
19 (1) exceed an amount equal to the amount of the reduction in general state
20 aid paid to the school district determined by the state board to be the result
21 of application of the allotment system to the appropriations made for
22 general state aid or of the lapse of any portion thereof by an act of the
23 legislature.

24 (d) At the discretion of the board of any school district, revenues
25 received by the school district from the federal government as the school
26 district's share of the proceeds derived from sale by the federal government
27 of its rights to oil, gas and other minerals located beneath the surface of
28 lands within the school district's boundaries may be deposited in the bond
29 and interest fund of the school district and used for the purposes of such
30 fund. If at any time all indebtedness and obligations of such fund have
31 been fully paid and canceled, the revenues authorized by this subsection to
32 be deposited in such fund shall be disposed of as provided in subsection
33 (a).

34 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and
35 amendments thereto, conflict with this section, this section shall control.

36 New Sec. 40. (a) Any lawful transfer of moneys from the general
37 fund of a school district to any other fund shall be an operating expense in
38 the year the transfer is made. The board of any school district may transfer
39 moneys from the general fund to any categorical fund of the school district
40 in any school year. The board of any school district may transfer moneys
41 from the general fund to any program weighted fund of the school district,
42 subject to the following conditions:

43 (1) No board shall transfer moneys in any amount from the general

1 fund to a program weighted fund prior to maturation of the obligation of
2 the fund necessitating the transfer; and

3 (2) the board may transfer moneys in an amount not to exceed the
4 amount of the obligation of the program weighted fund necessitating the
5 transfer.

6 (b) The board of any school district may transfer moneys from the
7 general fund to the contingency reserve fund of the school district, subject
8 to any limitations imposed upon the amount authorized to be maintained in
9 the contingency reserve fund.

10 (c) The board of any school district may transfer moneys from the
11 general fund to the:

12 (1) Capital outlay fund;

13 (2) special reserve fund;

14 (3) special liability expense fund; and

15 (4) textbook and student materials revolving fund.

16 (d) In each school year, any board may transfer to its general fund
17 from any fund to which transfers from the general fund are authorized an
18 amount not to exceed an amount equal to the amount transferred from the
19 general fund to any such fund in the same school year.

20 New Sec. 41. Expenditures of a school district for the following
21 purposes are not operating expenses:

22 (a) Payments to another school district in an adjustment of rights as
23 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of
24 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and
25 amendments thereto, if paid from any fund other than the general fund;

26 (b) payments to another school district under K.S.A. 72-7105a, and
27 amendments thereto;

28 (c) the maintenance of student activities that are reimbursed;

29 (d) expenditures from any lawfully authorized fund of a school
30 district other than its general fund;

31 (e) the provision of educational services for students residing at the
32 Flint Hills job corps center, students housed at a psychiatric residential
33 treatment facility or students confined in a juvenile detention facility for
34 which the school district is reimbursed by a grant of state moneys as
35 provided in K.S.A. 72-8187, and amendments thereto; and

36 (f) programs financed, in part or in whole, by federal funds that may
37 be expended although not included in the budget of the school district,
38 excluding funds received under the provisions of title I of public law 874,
39 but not including in such exclusion amounts received for assistance in
40 cases of major disaster and amounts received under the low-rent housing
41 program, to the extent of the federal funds to be provided.

42 New Sec. 42. If in any school year a school district expends an
43 amount for operating expenses that exceeds its general fund budget, the

1 state board shall determine the excess and deduct the same from amounts
2 of general state aid payable to the school district during the next
3 succeeding school year.

4 New Sec. 43. (a) Subject to any limitations as provided in this act,
5 any school district may expend the unencumbered balance of the moneys
6 held in the at-risk education fund, as provided in section 27, and
7 amendments thereto, bilingual education fund, as provided in K.S.A. 72-
8 9509, and amendments thereto, contingency reserve fund, as provided in
9 section 38, and amendments thereto, driver training fund, as provided in
10 section 36, and amendments thereto, parent education program fund, as
11 provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-
12 risk education fund, as provided in section 28, and amendments thereto,
13 professional development fund, as provided in K.S.A. 72-9609, and
14 amendments thereto, summer program fund, as provided in K.S.A. 72-
15 8237, and amendments thereto, textbook and student materials revolving
16 fund, as provided in K.S.A. 72-8250, and amendments thereto, special
17 education fund, as provided in K.S.A. 72-965 and section 34, and
18 amendments thereto, and career technical education fund, as provided in
19 section 35, and amendments thereto, to pay for general operating expenses
20 of the school district out of the general fund as approved by the board of
21 such school district.

22 (b) The board of a school district shall consider the use of such funds
23 in the following order of priority:

24 (1) At-risk education fund, bilingual education fund, contingency
25 reserve fund, driver training fund, parent education program fund,
26 preschool-aged at-risk education fund, professional development fund,
27 summer program fund and career technical education fund;

28 (2) textbook and student materials revolving fund; and

29 (3) special education fund.

30 The board shall not be limited to the order of priority as listed in this
31 subsection if the board so chooses. The board shall not be required to use
32 the total amount of the unencumbered balance of moneys in a fund before
33 using the unencumbered balance of moneys in another fund.

34 (c) The superintendent of each school district shall report the
35 unencumbered balance of moneys in each fund listed in subsection (a) to
36 the board of education in July of each year at the meeting described in
37 K.S.A. 72-8205, and amendments thereto, and to the state board on or
38 before July 15 of such year.

39 New Sec. 44. (a) In order to accomplish the mission for Kansas
40 education, the state board shall design and adopt a school performance
41 accreditation system based upon improvement in performance that reflects
42 high academic standards and is measurable.

43 (b) The state board shall establish curriculum standards that reflect

1 high academic standards for the core academic areas of mathematics,
2 science, reading, writing and social studies. The curriculum standards shall
3 be reviewed at least every seven years. Nothing in this subsection shall be
4 construed in any manner so as to impinge upon any school district's
5 authority to determine its own curriculum.

6 (c) The state board shall provide for statewide assessments in the core
7 academic areas of mathematics, science, reading, writing and social
8 studies. The board shall ensure compatibility between the statewide
9 assessments and the curriculum standards established pursuant to
10 subsection (b). Such assessments shall be administered at three grade
11 levels, as determined by the state board. The state board shall determine
12 performance levels on the statewide assessments, the achievement of
13 which represents high academic standards in the academic area at the
14 grade level to which the assessment applies. The state board should specify
15 high academic standards both for individual performance and school
16 performance on the assessments.

17 (d) Whenever the state board determines that a school district has
18 failed either to meet the accreditation requirements established by rules
19 and regulations or standards adopted by the state board or provide the
20 curriculum required by state law, the state board shall so notify the school
21 district. Such notice shall specify the accreditation requirements that the
22 school district has failed to meet and the curriculum that it has failed to
23 provide. Upon receipt of such notice, the board of education of such
24 school district is encouraged to reallocate the resources of the school
25 district to remedy all deficiencies identified by the state board.

26 (e) Each school in every school district shall establish a school site
27 council composed of the principal and representatives of teachers and
28 other school personnel, parents of students attending the school, the
29 business community and other community groups. School site councils
30 shall be responsible for providing advice and counsel in evaluating state,
31 school district, and school site performance goals and objectives and in
32 determining the methods that should be employed at the school site to
33 meet these goals and objectives. Site councils may make recommendations
34 and proposals to the school board regarding budgetary items and school
35 district matters, including, but not limited to, identifying and implementing
36 the best practices for developing efficient and effective administrative and
37 management functions. Site councils also may help school boards analyze
38 the unique environment of schools, enhance the efficiency and maximize
39 limited resources, including outsourcing arrangements and cooperative
40 opportunities as a means to address limited budgets.

41 New Sec. 45. The state board may adopt rules and regulations for the
42 administration of this act, including the classification of expenditures of
43 school districts to ensure uniform reporting of operating expenses.

1 New Sec. 46. The provisions of sections 3 through 46, and
2 amendments thereto, shall not be severable. If any provision of sections 3
3 through 46, and amendments thereto, is held to be invalid or
4 unconstitutional by court order, the entire provisions of sections 3 through
5 46, and amendments thereto, shall be null and void.

6 New Sec. 47. (a) The state department of education shall conduct a
7 study of the cost of career technical education programs offered by school
8 districts, including, but not limited to, the following:

9 (1) The career technical education programs offered by school
10 districts;

11 (2) the costs associated with offering such programs, including
12 salaries and wages, materials, equipment and facilities; and

13 (3) the coordination between school districts, community colleges
14 and technical colleges in offering such programs.

15 (b) On or before January 15, 2018, the state department of education
16 shall prepare a report on its findings and shall make recommendations on
17 amendments to the education finance act for the financing of career
18 technical education programs using a tiered technical education model or
19 other funding model. The report shall be submitted to the governor and the
20 legislature.

21 (c) The provisions of this section shall expire on July 1, 2018.

22 New Sec. 48. (a) The legislative division of post audit shall conduct a
23 study of statewide virtual school programs administered in other states.
24 The study shall include, but not be limited to, the following:

25 (1) The aggregate cost incurred by each state administering a virtual
26 school program, and the cost incurred by individual school districts or
27 schools within each state;

28 (2) the resources necessary for the implementation of each virtual
29 school program, including, but not limited to, personnel, equipment,
30 software and facility usage;

31 (3) the scope of each virtual school program; and

32 (4) the effectiveness of each virtual school program with respect to
33 student performance and outcomes.

34 (b) The provisions of this section shall expire on July 1, 2018.

35 New Sec. 49. (a) There is hereby established in the state treasury the
36 school district capital outlay state aid fund. Such fund shall consist of all
37 amounts transferred thereto under the provisions of subsection (d).

38 (b) (1) Except as provided in subsection (b)(2), each school district
39 that levies a tax pursuant to K.S.A. 72-8801 et seq., and amendments
40 thereto, shall receive payment from the school district capital outlay state
41 aid fund in an amount determined by the state board of education as
42 provided in this section.

43 (2) For school year 2018-2019 and each school year thereafter, a

1 school district shall be eligible to receive payment from the school district
2 capital outlay state aid fund only if such school district has levied a tax
3 pursuant to K.S.A. 72-8801 et seq., and amendments thereto, for the
4 current school year in an amount that is not less than four mills.

5 (c) The state board shall:

6 (1) (A) For school year 2017-2018, determine the amount of the
7 assessed valuation per student of each school district in the state and round
8 such amount to the nearest \$1,000. The rounded amount is the assessed
9 valuation per student of a school district for the purposes of this
10 subsection; and

11 (B) for school year 2018-2019 and each school year thereafter,
12 determine the average assessed valuation per student of each school
13 district by adding the assessed valuation per student for each of the three
14 immediately preceding school years and dividing the resulting sum by
15 three, then rounding such amount to the nearest \$1,000. The rounded
16 amount is the assessed valuation per student of a school district for the
17 purposes of this subsection;

18 (2) determine the median assessed valuation per student of all school
19 districts;

20 (3) prepare a schedule of dollar amounts using the amount of the
21 median assessed valuation per student of all school districts as the point of
22 beginning. The schedule of dollar amounts shall range upward in equal
23 \$1,000 intervals from the point of beginning to and including an amount
24 that is equal to the amount of the assessed valuation per student of the
25 school district with the highest assessed valuation per student of all school
26 districts and shall range downward in equal \$1,000 intervals from the point
27 of beginning to and including an amount that is equal to the amount of the
28 assessed valuation per student of the school district with the lowest
29 assessed valuation per student of all school districts;

30 (4) determine a state aid percentage factor for each school district by
31 assigning a state aid computation percentage to the amount of the median
32 assessed valuation per student shown on the schedule, decreasing the state
33 aid computation percentage assigned to the amount of the median assessed
34 valuation per student by one percentage point for each \$1,000 interval
35 above the amount of the median assessed valuation per student, and
36 increasing the state aid computation percentage assigned to the amount of
37 the median assessed valuation per student by one percentage point for each
38 \$1,000 interval below the amount of the median assessed valuation per
39 student. The state aid percentage factor of a school district is the
40 percentage assigned to the schedule amount that is equal to the amount of
41 the assessed valuation per student of the school district, except that the
42 state aid percentage factor of a school district shall not exceed 100%. The
43 state aid computation percentage is 25%;

1 (5) determine the amount levied by each school district pursuant to
2 K.S.A. 72-8801 et seq., and amendments thereto; and

3 (6) multiply the amount computed under subsection (c)(5), but not to
4 exceed 8 mills, by the applicable state aid percentage factor. The resulting
5 product is the amount of payment the school district is to receive from the
6 school district capital outlay state aid fund in the school year.

7 (d) The state board shall certify to the director of accounts and reports
8 the amount of school district capital outlay state aid determined under the
9 provisions of subsection (c), and an amount equal thereto shall be
10 transferred by the director from the state general fund to the school district
11 capital outlay state aid fund for distribution to school districts. All transfers
12 made in accordance with the provisions of this subsection shall be
13 considered to be demand transfers from the state general fund.

14 (e) Payments from the school district capital outlay state aid fund
15 shall be distributed to school districts at times determined by the state
16 board of education. The state board of education shall certify to the
17 director of accounts and reports the amount due each school district, and
18 the director of accounts and reports shall draw a warrant on the state
19 treasury payable to the treasurer of the school district. Upon receipt of the
20 warrant, the treasurer of the school district shall credit the amount thereof
21 to the capital outlay fund of the school district to be used for the purposes
22 of such fund.

23 Sec. 50. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as
24 follows: 10-1116a. The limitations on expenditures imposed under the
25 cash-basis law shall not apply to:

26 (a) Expenditures in excess of current revenues made for municipally
27 owned and operated utilities out of the fund of such utilities caused by, or
28 resulting from the meeting of, extraordinary emergencies including
29 drought emergencies. In such cases expenditures in excess of current
30 revenues may be made by declaring an extraordinary emergency by
31 resolution adopted by the governing body and such resolution shall be
32 published at least once in a newspaper of general circulation in such city.
33 Thereupon, such governing body may issue interest bearing no-fund
34 warrants on such utility fund in an amount, including outstanding
35 previously issued no-fund warrants, not to exceed 25% of the revenues
36 from sales of service of such utility for the preceding year. Such warrants
37 shall be redeemed within three years from date of issuance and shall bear
38 interest at a rate of not to exceed the maximum rate of interest prescribed
39 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a
40 drought emergency, the governing body may issue such warrants for water
41 system improvement purposes in an amount not to exceed 50% of the
42 revenue received from the sale of water for the preceding year. Such
43 warrants shall be redeemed within five years from the date of issuance and

1 shall bear interest at a rate not to exceed the maximum rate of interest
2 prescribed by K.S.A. 10-1009, and amendments thereto.

3 (b) Expenditures in any month by school districts which are in excess
4 of current revenues if the deficit or shortage in revenues is caused by, or a
5 result of, the payment of state aid after the date prescribed for the payment
6 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466~~ *section*
7 *7, and amendments thereto.*

8 Sec. 51. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as
9 follows: 12-1677. (a) Except as otherwise required by state or federal law,
10 all moneys earned and collected from investments by counties, area
11 vocational-technical schools and quasi-municipal corporations authorized
12 in this act shall be credited to the general fund of such county, area
13 vocational-technical school or quasi-municipal corporation by the treasurer
14 thereof, and all moneys earned and collected from investments by school
15 districts authorized in this act shall be credited ~~to the general fund of the~~
16 ~~school district in accordance with the provisions of section 39, and~~
17 ~~amendments thereto.~~

18 (b) The treasurer of each county, school district, area vocational-
19 technical school or quasi-municipal corporation shall maintain a complete
20 record of all investments authorized in this act and shall make a quarterly
21 written report of such record to the governing body of such county, school
22 district, area vocational-technical school or quasi-municipal corporation.

23 Sec. 52. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as
24 follows: 12-1770a. As used in this act, the following words and phrases
25 shall have the following meanings unless a different meaning clearly
26 appears from the content:

27 (a) "Auto race track facility" means: (1) An auto race track facility
28 and facilities directly related and necessary to the operation of an auto race
29 track facility, including, but not limited to, grandstands, suites and viewing
30 areas, concessions, souvenir facilities, catering facilities, visitor and retail
31 centers, signage and temporary hospitality facilities, but excluding (2)
32 hotels, motels, restaurants and retail facilities, not directly related to or
33 necessary to the operation of such facility.

34 (b) "Base year assessed valuation" means the assessed valuation of all
35 real property within the boundaries of a redevelopment district on the date
36 the redevelopment district was established.

37 (c) "Blighted area" means an area which:

38 (1) Because of the presence of a majority of the following factors,
39 substantially impairs or arrests the development and growth of the
40 municipality or constitutes an economic or social liability or is a menace to
41 the public health, safety, morals or welfare in its present condition and use:

- 42 (A) A substantial number of deteriorated or deteriorating structures;
43 (B) predominance of defective or inadequate street layout;

- 1 (C) unsanitary or unsafe conditions;
- 2 (D) deterioration of site improvements;
- 3 (E) tax or special assessment delinquency exceeding the fair market
- 4 value of the real property;
- 5 (F) defective or unusual conditions of title including, but not limited
- 6 to, cloudy or defective titles, multiple or unknown ownership interests to
- 7 the property;
- 8 (G) improper subdivision or obsolete platting or land uses;
- 9 (H) the existence of conditions which endanger life or property by
- 10 fire or other causes; or
- 11 (I) conditions which create economic obsolescence;
- 12 (2) has been identified by any state or federal environmental agency
- 13 as being environmentally contaminated to an extent that requires a
- 14 remedial investigation; feasibility study and remediation or other similar
- 15 state or federal action;
- 16 (3) a majority of the property is a 100-year floodplain area; or
- 17 (4) previously was found by resolution of the governing body to be a
- 18 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments
- 19 thereto.
- 20 (d) "Conservation area" means any improved area comprising 15% or
- 21 less of the land area within the corporate limits of a city in which 50% or
- 22 more of the structures in the area have an age of 35 years or more, which
- 23 area is not yet blighted, but may become a blighted area due to the
- 24 existence of a combination of two or more of the following factors:
- 25 (1) Dilapidation, obsolescence or deterioration of the structures;
- 26 (2) illegal use of individual structures;
- 27 (3) the presence of structures below minimum code standards;
- 28 (4) building abandonment;
- 29 (5) excessive vacancies;
- 30 (6) overcrowding of structures and community facilities; or
- 31 (7) inadequate utilities and infrastructure.
- 32 (e) "De minimus" means an amount less than 15% of the land area
- 33 within a redevelopment district.
- 34 (f) "Developer" means any person, firm, corporation, partnership or
- 35 limited liability company, other than a city and other than an agency,
- 36 political subdivision or instrumentality of the state or a county when
- 37 relating to a bioscience development district.
- 38 (g) "Eligible area" means a blighted area, conservation area,
- 39 enterprise zone, intermodal transportation area, major tourism area or a
- 40 major commercial entertainment and tourism area, bioscience
- 41 development area or a building or buildings which are 65 years of age or
- 42 older and any contiguous vacant or condemned lots.
- 43 (h) "Enterprise zone" means an area within a city that was designated

1 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107
2 through 12-17,113, and amendments thereto, prior to its repeal and the
3 conservation, development or redevelopment of the area is necessary to
4 promote the general and economic welfare of such city.

5 (i) "Environmental increment" means the increment determined
6 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

7 (j) "Environmentally contaminated area" means an area of land
8 having contaminated groundwater or soil which is deemed
9 environmentally contaminated by the department of health and
10 environment or the United States environmental protection agency.

11 (k) (1) "Feasibility study" means:

12 (A) A study which shows whether a redevelopment project's or
13 bioscience development project's benefits and tax increment revenue and
14 other available revenues under K.S.A. 12-1774(a)(1), and amendments
15 thereto, are expected to exceed or be sufficient to pay for the
16 redevelopment or bioscience development project costs; and

17 (B) the effect, if any, the redevelopment project costs or bioscience
18 development project will have on any outstanding special obligation bonds
19 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and
20 amendments thereto.

21 (2) For a redevelopment project or bioscience project financed by
22 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and
23 amendments thereto, the feasibility study must also include:

24 (A) A statement of how the taxes obtained from the project will
25 contribute significantly to the economic development of the jurisdiction in
26 which the project is located;

27 (B) a statement concerning whether a portion of the local sales and
28 use taxes are pledged to other uses and are unavailable as revenue for the
29 redevelopment project. If a portion of local sales and use taxes is so
30 committed, the applicant shall describe the following:

31 (i) The percentage of sales and use taxes collected that are so
32 committed; and

33 (ii) the date or dates on which the local sales and use taxes pledged to
34 other uses can be pledged for repayment of special obligation bonds;

35 (C) an anticipated principal and interest payment schedule on the
36 bonds;

37 (D) following approval of the redevelopment plan, the feasibility
38 study shall be supplemented to include a copy of the minutes of the
39 governing body meeting or meetings of any city whose bonding authority
40 will be utilized in the project, evidencing that a redevelopment plan has
41 been created, discussed, and adopted by the city in a regularly scheduled
42 open public meeting; and

43 (E) the failure to include all information enumerated in this

1 subsection in the feasibility study for a redevelopment or bioscience
2 project shall not affect the validity of bonds issued pursuant to this act.

3 (l) "Major tourism area" means an area for which the secretary has
4 made a finding the capital improvements costing not less than
5 \$100,000,000 will be built in the state to construct an auto race track
6 facility.

7 (m) "Real property taxes" means all taxes levied on an ad valorem
8 basis upon land and improvements thereon, except that ~~when relating to a~~
9 ~~bioscience development district, as defined in this section,~~ "real property
10 taxes" does not include:

11 (1) Property taxes levied ~~for schools, by school districts~~ pursuant to
12 ~~K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto, when:~~

13 (A) *Relating to a bioscience development district; and*

14 (B) *relating to a redevelopment district established after June 30,*
15 *1997; and*

16 (2) *property taxes levied by school districts pursuant to K.S.A. 72-*
17 *8801, and amendments thereto, when relating to a bioscience development*
18 *district or a redevelopment district established after June 30, 2017.*

19 (n) "Redevelopment project area" means an area designated by a city
20 within a redevelopment district or, if the redevelopment district is
21 established for an intermodal transportation area, an area designated by a
22 city within or outside of the redevelopment district.

23 (o) "Redevelopment project costs" means: (1) Those costs necessary
24 to implement a redevelopment project plan or a bioscience development
25 project plan, including costs incurred for:

26 (A) Acquisition of property within the redevelopment project area;

27 (B) payment of relocation assistance pursuant to a relocation
28 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;

29 (C) site preparation including utility relocations;

30 (D) sanitary and storm sewers and lift stations;

31 (E) drainage conduits, channels, levees and river walk canal facilities;

32 (F) street grading, paving, graveling, macadamizing, curbing,
33 guttering and surfacing;

34 (G) street light fixtures, connection and facilities;

35 (H) underground gas, water, heating and electrical services and
36 connections located within the public right-of-way;

37 (I) sidewalks and pedestrian underpasses or overpasses;

38 (J) drives and driveway approaches located within the public right-of-
39 way;

40 (K) water mains and extensions;

41 (L) plazas and arcades;

42 (M) major multi-sport athletic complex;

43 (N) museum facility;

1 (O) parking facilities including multilevel parking facilities;

2 (P) landscaping and plantings, fountains, shelters, benches,
3 sculptures, lighting, decorations and similar amenities;

4 (Q) related expenses to redevelop and finance the redevelopment
5 project;

6 (R) for purposes of an incubator project, such costs shall also include
7 wet lab equipment including hoods, lab tables, heavy water equipment and
8 all such other equipment found to be necessary or appropriate for a
9 commercial incubator wet lab facility by the city in its resolution
10 establishing such redevelopment district or a bioscience development
11 district;

12 (S) costs for the acquisition of land for and the construction and
13 installation of publicly-owned infrastructure improvements which serve an
14 intermodal transportation area and are located outside of a redevelopment
15 district; and

16 (T) costs for infrastructure located outside the redevelopment district
17 but contiguous to any portion of the redevelopment district and such
18 infrastructure is necessary for the implementation of the redevelopment
19 plan as determined by the city.

20 (2) Redevelopment project costs shall not include: (A) Costs incurred
21 in connection with the construction of buildings or other structures to be
22 owned by or leased to a developer, however, the "redevelopment project
23 costs" shall include costs incurred in connection with the construction of
24 buildings or other structures to be owned or leased to a developer which
25 includes an auto race track facility or a multilevel parking facility.

26 (B) In addition, for a redevelopment project financed with special
27 obligation bonds payable from the revenues described in K.S.A. 12-
28 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall
29 not include:

30 (i) Fees and commissions paid to developers, real estate agents,
31 financial advisors or any other consultants who represent the developers or
32 any other businesses considering locating in or located in a redevelopment
33 district;

34 (ii) salaries for local government employees;

35 (iii) moving expenses for employees of the businesses locating within
36 the redevelopment district;

37 (iv) property taxes for businesses that locate in the redevelopment
38 district;

39 (v) lobbying costs;

40 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-
41 1742, and amendments thereto;

42 (vii) any personal property, as defined in K.S.A. 79-102, and
43 amendments thereto; and

1 (viii) travel, entertainment and hospitality.

2 (p) "Redevelopment district" means the specific area declared to be
3 an eligible area in which the city may develop one or more redevelopment
4 projects.

5 (q) "Redevelopment district plan" or "district plan" means the
6 preliminary plan that identifies all of the proposed redevelopment project
7 areas and identifies in a general manner all of the buildings, facilities and
8 improvements in each that are proposed to be constructed or improved in
9 each redevelopment project area or, if the redevelopment district is
10 established for an intermodal transportation area, in or outside of the
11 redevelopment district.

12 (r) "Redevelopment project" means the approved project to
13 implement a project plan for the development of the established
14 redevelopment district.

15 (s) "Redevelopment project plan" means the plan adopted by a
16 municipality for the development of a redevelopment project or projects
17 which conforms with K.S.A. 12-1772, and amendments thereto, in a
18 redevelopment district.

19 (t) "Substantial change" means, as applicable, a change wherein the
20 proposed plan or plans differ substantially from the intended purpose for
21 which the district plan or project plan was approved.

22 (u) "Tax increment" means that amount of real property taxes
23 collected from real property located within the redevelopment district that
24 is in excess of the amount of real property taxes which is collected from
25 the base year assessed valuation.

26 (v) "Taxing subdivision" means the county, city, unified school
27 district and any other taxing subdivision levying real property taxes, the
28 territory or jurisdiction of which includes any currently existing or
29 subsequently created redevelopment district including a bioscience
30 development district.

31 (w) "River walk canal facilities" means a canal and related water
32 features which flows through a redevelopment district and facilities related
33 or contiguous thereto, including, but not limited to pedestrian walkways
34 and promenades, landscaping and parking facilities.

35 (x) "Major commercial entertainment and tourism area" may include,
36 but not be limited to, a major multi-sport athletic complex.

37 (y) "Major multi-sport athletic complex" means an athletic complex
38 that is utilized for the training of athletes, the practice of athletic teams, the
39 playing of athletic games or the hosting of events. Such project may
40 include playing fields, parking lots and other developments including
41 grandstands, suites and viewing areas, concessions, souvenir facilities,
42 catering facilities, visitor centers, signage and temporary hospitality
43 facilities, but excluding hotels, motels, restaurants and retail facilities, not

1 directly related to or necessary to the operation of such facility.

2 (z) "Bioscience" means the use of compositions, methods and
3 organisms in cellular and molecular research, development and
4 manufacturing processes for such diverse areas as pharmaceuticals,
5 medical therapeutics, medical diagnostics, medical devices, medical
6 instruments, biochemistry, microbiology, veterinary medicine, plant
7 biology, agriculture, industrial environmental and homeland security
8 applications of bioscience and future developments in the biosciences.
9 Bioscience includes biotechnology and life sciences.

10 (aa) "Bioscience development area" means an area that:

11 (1) Is or shall be owned, operated, or leased by, or otherwise under
12 the control of the Kansas bioscience authority;

13 (2) is or shall be used and maintained by a bioscience company; or

14 (3) includes a bioscience facility.

15 (bb) "Bioscience development district" means the specific area,
16 created under K.S.A. 12-1771, and amendments thereto, where one or
17 more bioscience development projects may be undertaken.

18 (cc) "Bioscience development project" means an approved project to
19 implement a project plan in a bioscience development district.

20 (dd) "Bioscience development project plan" means the plan adopted
21 by the authority for a bioscience development project pursuant to K.S.A.
22 12-1772, and amendments thereto, in a bioscience development district.

23 (ee) "Bioscience facility" means real property and all improvements
24 thereof used to conduct bioscience research, including, without limitation,
25 laboratory space, incubator space, office space and any and all facilities
26 directly related and necessary to the operation of a bioscience facility.

27 (ff) "Bioscience project area" means an area designated by the
28 authority within a bioscience development district.

29 (gg) "Biotechnology" means those fields focusing on technological
30 developments in such areas as molecular biology, genetic engineering,
31 genomics, proteomics, physiomics, nanotechnology, biodefense,
32 biocomputing, bioinformatics and future developments associated with
33 biotechnology.

34 (hh) "Board" means the board of directors of the Kansas bioscience
35 authority.

36 (ii) "Life sciences" means the areas of medical sciences,
37 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,
38 ecology, toxicology, organic chemistry, physical chemistry, physiology and
39 any future advances associated with life sciences.

40 (jj) "Revenue increase" means that amount of real property taxes
41 collected from real property located within the bioscience development
42 district that is in excess of the amount of real property taxes which is
43 collected from the base year assessed valuation.

1 (kk) "Taxpayer" means a person, corporation, limited liability
2 company, S corporation, partnership, registered limited liability
3 partnership, foundation, association, nonprofit entity, sole proprietorship,
4 business trust, group or other entity that is subject to the Kansas income
5 tax act, K.S.A. 79-3201 et seq., and amendments thereto.

6 (ll) "Floodplain increment" means the increment determined pursuant
7 to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.

8 (mm) "100-year floodplain area" means an area of land existing in a
9 100-year floodplain as determined by either an engineering study of a
10 Kansas certified engineer or by the United States federal emergency
11 management agency.

12 (nn) "Major motorsports complex" means a complex in Shawnee
13 county that is utilized for the hosting of competitions involving motor
14 vehicles, including, but not limited to, automobiles, motorcycles or other
15 self-propelled vehicles other than a motorized bicycle or motorized
16 wheelchair. Such project may include racetracks, all facilities directly
17 related and necessary to the operation of a motorsports complex,
18 including, but not limited to, parking lots, grandstands, suites and viewing
19 areas, concessions, souvenir facilities, catering facilities, visitor and retail
20 centers, signage and temporary hospitality facilities, but excluding hotels,
21 motels, restaurants and retail facilities not directly related to or necessary
22 to the operation of such facility.

23 (oo) "Intermodal transportation area" means an area of not less than
24 800 acres to be developed primarily to handle the transfer, storage and
25 distribution of freight through railway and trucking operations.

26 (pp) "Museum facility" means a separate newly-constructed museum
27 building and facilities directly related and necessary to the operation
28 thereof, including gift shops and restaurant facilities, but excluding hotels,
29 motels, restaurants and retail facilities not directly related to or necessary
30 to the operation of such facility. The museum facility shall be owned by
31 the state, a city, county, other political subdivision of the state or a non-
32 profit corporation, shall be managed by the state, a city, county, other
33 political subdivision of the state or a non-profit corporation and may not
34 be leased to any developer and shall not be located within any retail or
35 commercial building.

36 Sec. 53. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as
37 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of
38 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has
39 established a redevelopment district prior to July 1, 1996, shall certify to
40 the director of accounts and reports the amount equal to the amount of
41 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~
42 ~~Supp. 72-6470~~ section 14, and amendments thereto, within such
43 redevelopment district. Prior to February 1, 1997, and annually on that

1 date thereafter, the governing body of each such city shall certify to the
2 director of accounts and reports an amount equal to the amount by which
3 revenues realized from such ad valorem taxes imposed in such
4 redevelopment district are estimated to be reduced for the ensuing calendar
5 year due to legislative changes in the statewide school finance formula.
6 Prior to March 1 of each year, the director of accounts and reports shall
7 certify to the state treasurer each amount certified by the governing bodies
8 of cities under this section for the ensuing calendar year and shall transfer
9 from the state general fund to the city tax increment financing revenue
10 fund the aggregate of all amounts so certified. Prior to April 15 of each
11 year, the state treasurer shall pay from the city tax increment financing
12 revenue fund to each city certifying an amount to the director of accounts
13 and reports under this section for the ensuing calendar year the amount so
14 certified.

15 (b) There is hereby created the tax increment financing revenue
16 replacement fund which shall be administered by the state treasurer. All
17 expenditures from the tax increment financing revenue replacement fund
18 shall be made in accordance with appropriations acts upon warrants of the
19 director of accounts and reports issued pursuant to vouchers approved by
20 the state treasurer or a person or persons designated by the state treasurer.

21 Sec. 54. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
22 follows: 12-1776a. (a) As used in this section:

23 (1) "School district" means any school district in which is located a
24 redevelopment district for which bonds have been issued pursuant to
25 K.S.A. 12-1770 et seq., and amendments thereto.

26 (2) "Base year assessed valuation," "redevelopment district" and
27 "redevelopment project" shall have the meanings ascribed thereto by
28 K.S.A. 12-1770a, and amendments thereto.

29 (b) No later than November 1 of each year, the county clerk of each
30 county shall certify to the state board of education the assessed valuation
31 of any school district located within a redevelopment district in such
32 county. For the purposes of this section and for determining the amount of
33 state aid for school districts under *section 17 and* K.S.A. 75-2319, and
34 amendments thereto, the base year assessed valuation of property within
35 the boundaries of a redevelopment district shall be used when determining
36 the assessed valuation of a school district until the bonds issued pursuant
37 to K.S.A. 12-1770 et seq., and amendments thereto, to finance
38 redevelopment projects in the redevelopment district have been retired.

39 Sec. 55. K.S.A. 12-17,115 is hereby amended to read as follows: 12-
40 17,115. As used in this act:

41 (a) "Dilapidated structure" means a residence or other building which
42 is in deteriorating condition by reason of obsolescence, inadequate
43 provision of ventilation, light, air or structural integrity or is otherwise in a

1 condition detrimental to the health, safety or welfare of its inhabitants or a
2 residence or other building which is in deteriorating condition and because
3 of age, architecture, history or significance is worthy of preservation.

4 (b) "Municipality" means any municipality as defined by K.S.A. 10-
5 1101, and amendments thereto.

6 (c) "Neighborhood revitalization area" means:

7 (1) An area in which there is a predominance of buildings or
8 improvements which by reason of dilapidation, deterioration,
9 obsolescence, inadequate provision for ventilation, light, air, sanitation, or
10 open spaces, high density of population and overcrowding, the existence
11 of conditions which endanger life or property by fire and other causes or a
12 combination of such factors, is conducive to ill health, transmission of
13 disease, infant mortality, juvenile delinquency or crime and which is
14 detrimental to the public health, safety or welfare;

15 (2) an area which by reason of the presence of a substantial number
16 of deteriorated or deteriorating structures, defective or inadequate streets,
17 incompatible land use relationships, faulty lot layout in relation to size,
18 adequacy, accessibility or usefulness, unsanitary or unsafe conditions,
19 deterioration of site or other improvements, diversity of ownership, tax or
20 special assessment delinquency exceeding the actual value of the land,
21 defective or unusual conditions of title, or the existence of conditions
22 which endanger life or property by fire and other causes, or a combination
23 of such factors, substantially impairs or arrests the sound growth of a
24 municipality, retards the provision of housing accommodations or
25 constitutes an economic or social liability and is detrimental to the public
26 health, safety or welfare in its present condition and use; or

27 (3) an area in which there is a predominance of buildings or
28 improvements which by reason of age, history, architecture or significance
29 should be preserved or restored to productive use.

30 (d) "Governing body" means the governing body of any municipality.

31 (e) "Increment" means, *except for any taxes levied by school districts*
32 *pursuant to section 14 or K.S.A. 72-8801, and amendments thereto*, that
33 amount of ad valorem taxes collected from real property located within the
34 neighborhood revitalization area or from dilapidated structures outside the
35 revitalization area that is in excess of the amount which is produced from
36 such property and attributable to the assessed valuation of such property
37 prior to the date the neighborhood revitalization area was established or
38 the structure was declared dilapidated pursuant to this act.

39 Sec. 56. K.S.A. 2016 Supp. 72-978 is hereby amended to read as
40 follows: 72-978. (a) Each year, the state board of education shall determine
41 the amount of state aid for the provision of special education and related
42 services each school district shall receive for the ensuing school year. The
43 amount of such state aid shall be computed by the state board as provided

1 in this section. The state board shall:

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

4 (2) subtract from the amount determined in subsection (a)(1) the total
5 amount attributable to assignment of transportation weighting, program
6 weighting, special education weighting and ~~at-risk pupil low-income~~
7 ~~student~~ weighting, ~~as those weightings were calculated under the school~~
8 ~~district finance and quality performance act, prior to its repeal,~~ to *the*
9 enrollment of all school districts;

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

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

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

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

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

23 (8) add the amounts determined under subsections (a)(6) and (a)(7) to
24 the amount of the product obtained under subsection (a)(5);

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

27 (10) subtract the amount of the sum obtained under subsection (a)(8)
28 from the amount determined under subsection (a)(9); and

29 (11) multiply the remainder obtained under subsection (a)(10) by
30 92%.

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

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

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

43 (2) reimbursement in an amount equal to 80% of the actual travel

1 expenses incurred for providing transportation for exceptional children to
2 special education or related services;

3 (3) reimbursement in an amount equal to 80% of the actual expenses
4 incurred for the maintenance of an exceptional child at some place other
5 than the residence of such child for the purpose of providing special
6 education or related services; Such reimbursement shall not exceed \$600
7 per exceptional child per school year; and

8 (4) (A) except for those school districts ~~entitled to~~ *that* receive
9 reimbursement under subsection (c) or (d), after subtracting the amounts of
10 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total
11 amount appropriated for special education and related services under this
12 act, an amount which bears the same proportion to the remaining amount
13 appropriated as the number of full-time equivalent special teachers who
14 are qualified to provide special education or related services to exceptional
15 children and are employed by the school district for approved special
16 education or related services bears to the total number of such qualified
17 full-time equivalent special teachers employed by all school districts for
18 approved special education or related services.

19 (B) Each special teacher who is qualified to assist in the provision of
20 special education or related services to exceptional children shall be
21 counted as $\frac{2}{5}$ full-time equivalent special teacher who is qualified to
22 provide special education or related services to exceptional children.

23 (C) For purposes of this subsection (b)(4), a special teacher, qualified
24 to assist in the provision of special education and related services to
25 exceptional children, who assists in providing special education and
26 related services to exceptional children at either the state school for the
27 blind or the state school for the deaf and whose services are paid for by a
28 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments
29 thereto, shall be considered a special teacher of such school district.

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

41 (d) Each contracting school district which has paid amounts for the
42 provision of special education and related services as a member of a
43 cooperative shall ~~be entitled to~~ receive reimbursement under subsection (b)

1 (4). The amount of such reimbursement for the *school* district shall be the
2 amount which bears the same relation to the aggregate amount available
3 for reimbursement for the provision of special education and related
4 services by the cooperative, as the amount paid by such *school* district in
5 the current school year for provision of such special education and related
6 services bears to the aggregate of all amounts paid by all contracting
7 school districts in the current school year by such cooperative for
8 provision of such special education and related services.

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

16 ~~(f) There is hereby established in every school district a fund which
17 shall be called the special education fund, which fund shall consist of all
18 moneys deposited therein or transferred thereto according to law.
19 Notwithstanding any other provision of law, all moneys received by the
20 school district from whatever source for special education shall be credited
21 to the special education fund established by this section, except that: (1)
22 Amounts of payments received by a school district under K.S.A. 72-979,
23 and amendments thereto, and amounts of grants, if any, received by a
24 school district under K.S.A. 72-983, and amendments thereto, shall be
25 deposited in the general fund of the district and transferred to the special
26 education fund; and (2) moneys received by a school district pursuant to
27 lawful agreements made under K.S.A. 72-968, and amendments thereto,
28 shall be credited to the special education fund established under the
29 agreements.~~

30 ~~(g) The expenses of a school district directly attributable to special
31 education shall be paid from the special education fund and from special
32 funds established under K.S.A. 72-968, and amendments thereto.~~

33 ~~(h) Obligations of a school district pursuant to lawful agreements
34 made under K.S.A. 72-968, and amendments thereto, shall be paid from
35 the special education fund established by this section.~~

36 Sec. 57. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as
37 follows: 72-1046b. (a) As used in this section:

38 (1) "School district" means a school district organized and operating
39 under the laws of this state and no part of which is located in Johnson
40 county, Sedgwick county, Shawnee county or Wyandotte county.

41 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and
42 in attendance at a school located in a district in which such pupil is not a
43 resident and who: (A) Lives $2\frac{1}{2}$ or more miles from the attendance center

1 the pupil would attend in the district in which the pupil resides and is not a
2 resident of Johnson county, Sedgwick county, Shawnee county or
3 Wyandotte county; or (B) is a member of the family of a pupil meeting the
4 condition prescribed in ~~subpart~~ *subparagraph* (A).

5 (3) "Member of the family" means a brother or sister of the whole or
6 half blood or by adoption, a stepbrother or stepsister, and a foster brother
7 or foster sister.

8 (b) The board of education of any school district may allow any pupil
9 who is not a resident of the district to enroll in and attend school in such
10 district. The board of education of such district may furnish or provide
11 transportation to any non-resident pupil who is enrolled in and attending
12 school in the district pursuant to this section. If the district agrees to
13 furnish or provide transportation to a non-resident pupil, such
14 transportation shall be furnished or provided until the end of the school
15 year. Prior to providing or furnishing transportation to a non-resident
16 pupil, the district shall notify the board of education of the district in
17 which the pupil resides that transportation will be furnished or provided.

18 (c) Pupils attending school in a school district in which the pupil does
19 not reside pursuant to this section shall be counted as regularly enrolled in
20 and attending school in the district where the pupil is enrolled for the
21 purpose of computations under the ~~classroom learning assuring student~~
22 ~~success act, K.S.A. 2016 Supp. 72-6463 et seq. education finance act,~~
23 ~~section 3 et seq.,~~ and amendments thereto, *except computation of*
24 *transportation weighting under such act,* and for the purposes of the
25 statutory provisions contained in article 83 of chapter 72 of the Kansas
26 Statutes Annotated, and amendments thereto. Such non-resident pupil shall
27 not be charged for the costs of attendance at school.

28 ~~(d) Any pupil who was not a resident of the district in school year~~
29 ~~2014-2015, but was allowed to enroll in and attend school in such district~~
30 ~~in school year 2014-2015 by the board of education of such district and~~
31 ~~any member of the family of such pupil regardless of whether such family~~
32 ~~member enrolled in and attended school in such district in school year~~
33 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~
34 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~
35 ~~pupil or family member of such pupil is a resident of the district in either~~
36 ~~school year, provided such pupil or such pupil's family member is in~~
37 ~~compliance with any attendance and behavior policies of the district. If~~
38 ~~transportation was furnished or provided to such pupil in school year~~
39 ~~2014-2015 by the district, then transportation shall be furnished or~~
40 ~~provided by the district to such pupil and any family member of such pupil~~
41 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~
42 ~~such pupil's residence and no requirement for the district to furnish~~
43 ~~transportation to any additional residence.~~

1 Sec. 58. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as
2 follows: 72-1398. (a) The national board for professional teaching
3 standards certification incentive program is hereby established for the
4 purpose of rewarding teachers who have attained certification from the
5 national board. Teachers who have attained certification from the national
6 board shall be issued a master teacher's license by the state board of
7 education. A master teacher's license shall be valid for 10 years and
8 renewable thereafter every 10 years through compliance with continuing
9 education and professional development requirements prescribed by the
10 state board. Teachers who have attained certification from the national
11 board and who are employed by a school district shall be paid an incentive
12 bonus in the amount of \$1,000 each school year that the teacher remains
13 employed by a school district and retains a valid master teacher's license.

14 (b) The board of education of each school district employing one or
15 more national board certified teachers shall pay the incentive bonus to
16 each such teacher in each school year that the teacher retains eligibility for
17 such payment. Each board of education which has made payments of
18 incentive bonuses to national board certified teachers under this subsection
19 may file an application with the state board of education for state aid and
20 shall certify to the state board the amount of such payments. The
21 application and certification shall be on a form prescribed and furnished by
22 the state board, shall contain such information as the state board shall
23 require and shall be filed at the time specified by the state board.

24 (c) In each school year, each school district employing one or more
25 national board certified teachers is entitled to receive from appropriations
26 for the national board for professional teaching standards certification
27 incentive program an amount which is equal to the amount certified to the
28 state board of education in accordance with the provisions of subsection
29 (b). The state board shall certify to the director of accounts and reports the
30 amount due each school district. The director of accounts and reports shall
31 draw warrants on the state treasurer payable to the treasurer of each school
32 district entitled to payment under this section upon vouchers approved by
33 the state board.

34 (d) Moneys received by a board of education under this section shall
35 be deposited in the general fund of the school district and shall be
36 considered reimbursements to the district for the purpose of the ~~classroom~~
37 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463-~~
38 ~~education finance act, section 3 et seq., and amendments thereto, and may~~
39 be expended whether the same have been budgeted or not.

40 (e) The state board of education is authorized to provide scholarships
41 of \$1,100 each to teachers who are accepted to participate in the national
42 board for professional teaching standards program for initial certification.
43 The state board of education is authorized to provide scholarships of \$500

1 each to teachers who are accepted to participate in the national board for
2 professional teaching standards program for renewal of certification. Any
3 teacher who has been accepted to participate in such program may file an
4 application with the state board of education for a scholarship. The
5 application shall be on a form prescribed and furnished by the state board,
6 shall contain such information as the state board shall require and shall be
7 filed at the time specified by the state board.

8 (f) As used in this section, the term "school district" means any
9 school district organized and operating under the laws of this state.

10 Sec. 59. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as
11 follows: 72-1414. (a) On or before January 1, 2001, the state board of
12 education shall adopt rules and regulations for the administration of
13 mentor teacher programs and shall:

14 (1) Establish standards and criteria for evaluating and approving
15 mentor teacher programs and applications of school districts for grants;

16 (2) evaluate and approve mentor teacher programs;

17 (3) establish criteria for determination of exemplary teaching ability
18 of certificated teachers for qualification as mentor teachers;

19 (4) prescribe guidelines for the selection by boards of education of
20 mentor teachers and for the provision by boards of education of training
21 programs for mentor teachers;

22 (5) be responsible for awarding grants to school districts; and

23 (6) request of and receive from each school district which is awarded
24 a grant for maintenance of a mentor teacher program reports containing
25 information with regard to the effectiveness of the program.

26 (b) Subject to the availability of appropriations for mentor teacher
27 programs maintained by school districts, and within the limits of any such
28 appropriations, the state board of education shall determine the amount of
29 grants to be awarded school districts by multiplying an amount not to
30 exceed \$1,000 by the number of mentor teachers participating in the
31 program maintained by a school district. The product is the amount of the
32 grant to be awarded to the district. Upon receipt of a grant of state moneys
33 for maintenance of a mentor teacher program, the amount of the grant shall
34 be deposited in the general fund of the school district. Moneys deposited in
35 the general fund of a school district under this subsection shall be
36 considered reimbursements for the purpose of the ~~classroom learning~~
37 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *education*
38 *finance act, section 3* et seq., and amendments thereto. The full amount of
39 the grant shall be allocated among the mentor teachers employed by the
40 school district so as to provide a mentor teacher with an annual stipend in
41 an amount not to exceed \$1,000. Such annual stipend shall be over and
42 above the regular salary to which the mentor teacher is entitled for the
43 school year.

1 Sec. 60. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as
2 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,
3 and amendments thereto, the board of education of any school district may
4 apply to the state board for a grant of authority to operate such school
5 district as a public innovative district. The application shall be submitted in
6 the form and manner prescribed by the state board, and shall be submitted
7 not later than December 1 of the school year preceding the school year in
8 which the school district intends to operate as a public innovative district.

9 (b) The application shall include the following:

10 (1) A description of the educational programs of the public innovative
11 district;

12 (2) a description of the interest and support for partnerships between
13 the public innovative district, parents and the community;

14 (3) the specific goals and the measurable pupil outcomes to be
15 obtained by operating as a public innovative district; and

16 (4) an explanation of how pupil performance in achieving the
17 specified outcomes will be measured, evaluated and reported.

18 (c) (1) Within 90 days from the date such application is submitted, the
19 state board shall review the application to determine compliance with this
20 section, and shall approve or deny such application on or before the
21 conclusion of such 90-day period. If the application is determined to be in
22 compliance with this section, the state board shall approve such
23 application and grant the school district authority to operate as a public
24 innovative district. Notification of such approval shall be sent to the board
25 of education of such school district within 10 days after such decision.

26 (2) If the state board determines such application is not in compliance
27 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments
28 thereto, the state board shall deny such application. Notification of such
29 denial shall be sent to the board of education of such school district within
30 10 days after such decision and shall specify the reasons therefor. Within
31 30 days from the date such notification is sent, the board of education of
32 such school district may submit a request to the state board for
33 reconsideration of the application and may submit an amended application
34 with such request. The state board shall act on the request for
35 reconsideration within 60 days of receipt of such request.

36 (d) A public innovative district shall:

37 (1) Not charge tuition for any of the pupils residing within the public
38 innovative district;

39 (2) participate in all Kansas math and reading assessments applicable
40 to such public innovative district, or an alternative assessment program for
41 measuring student progress as determined by the board of education;

42 (3) abide by all financial and auditing requirements that are
43 applicable to school districts, except that a public innovative district may

1 use generally accepted accounting principles;

2 (4) comply with all applicable health, safety and access laws; and

3 (5) comply with all statements set forth in the application submitted
4 pursuant to subsection (a).

5 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921
6 through 72-1930, and amendments thereto, or as required by the board of
7 education of the public innovative district, a public innovative district shall
8 be exempt from all laws and rules and regulations that are applicable to
9 school districts.

10 (2) A public innovative district shall be subject to the special
11 education for exceptional children act, the virtual school act, the ~~classroom~~
12 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~
13 ~~education finance act, section 3 et seq.,~~ and amendments thereto, the
14 provisions of K.S.A. 72-8801 et seq., and amendments thereto, all laws
15 governing the issuance of general obligation bonds by school districts, the
16 provisions of K.S.A. 74-4901 et seq., and amendments thereto, and all
17 laws governing the election of members of the board of education, the
18 open meetings act as provided in K.S.A. 75-4317 et seq., and amendments
19 thereto, and the open records act as provided in K.S.A. 45-215 et seq., and
20 amendments thereto.

21 Sec. 61. K.S.A. 2016 Supp. 72-3607 is hereby amended to read as
22 follows: 72-3607. (a) There is hereby established in every school district
23 which has developed and is operating a parent education program for
24 which grants are awarded under this act a fund which shall be called the
25 parent education program fund, which fund shall consist of all moneys
26 deposited therein or transferred thereto according to law. Notwithstanding
27 any other provision of law, all moneys received by the school district from
28 whatever source for a parent education program operated under this act
29 shall be credited to the fund established by this section. Amounts deposited
30 in the parent education program fund ~~may~~ shall be used *exclusively* for the
31 payment of expenses directly attributable to the program ~~or may be~~
32 ~~transferred to the general fund of the school district as approved by the~~
33 ~~board of education.~~

34 (b) *Any unencumbered balance of moneys remaining in the parent*
35 *education program fund of a school district on June 30 of the current*
36 *school year may be expended in the school year that immediately succeeds*
37 *such date by the school district for general operating expenses of the*
38 *school district as approved by the board of education.*

39 Sec. 62. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as
40 follows: 72-3712. As used in the virtual school act:

41 (a) "Virtual school" means any school or educational program that:
42 (1) Is offered for credit; (2) uses distance-learning technologies which
43 predominately use internet-based methods to deliver instruction; (3)

1 involves instruction that occurs asynchronously with the teacher and ~~pupil~~
 2 *student* in separate locations; (4) requires the ~~pupil~~ *student* to make
 3 academic progress toward the next grade level and matriculation from
 4 kindergarten through high school graduation; (5) requires the ~~pupil~~ *student*
 5 to demonstrate competence in subject matter for each class or subject in
 6 which the ~~pupil~~ *student* is enrolled as part of the virtual school; and (6)
 7 requires age-appropriate ~~pupils~~ *students* to complete state assessment tests.

8 (b) "School district" means any school district which offers a virtual
 9 school.

10 (c) Except as provided by the virtual school act, words and phrases
 11 shall have the meanings ascribed thereto in ~~K.S.A. 2016 Supp. 72-6464~~
 12 *section 4*, and amendments thereto.

13 Sec. 63. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as
 14 follows: 72-3715. (a) In order to be included in the full-time equivalent
 15 enrollment of a virtual school, a ~~pupil~~ *student* shall be in attendance at the
 16 virtual school on: (1) A single school day on or before September 19 of
 17 each school year; and (2) on a single school day on or after September 20,
 18 but before October 4 of each school year.

19 (b) A school district which offers a virtual school shall determine the
 20 full-time equivalent enrollment of each ~~pupil~~ *student* enrolled in the virtual
 21 school on September 20 of each school year as follows:

22 (1) Determine the number of hours the ~~pupil~~ *student* was in
 23 attendance on a single school day on or before September 19 of each
 24 school year;

25 (2) determine the number of hours the ~~pupil~~ *student* was in attendance
 26 on a single school day on or after September 20, but before October 4 of
 27 each school year;

28 (3) add the numbers obtained under ~~paragraphs~~ *subsections (b)(1) and*
 29 *(b)(2)*;

30 (4) divide the sum obtained under ~~paragraph~~ *subsection (b)(3)* by 12.
 31 The quotient is the full-time equivalent enrollment of the ~~pupil~~ *student*.

32 (c) The school days on which a district determines the full-time
 33 equivalent enrollment of a ~~pupil~~ *student* under subsections (b)(1) and (2)
 34 shall be the school days on which the ~~pupil~~ *student* has the highest number
 35 of hours of attendance at the virtual school. No more than six hours of
 36 attendance may be counted in a single school day. Attendance may be
 37 shown by a ~~pupil's~~ *student's* on-line activity or entries in the ~~pupil's~~
 38 *student's* virtual school journal or log of activities.

39 (d) Subject to the availability of appropriations and within the limits
 40 of any such appropriations, each school year a school district which offers
 41 a virtual school shall receive virtual school state aid.

42 The state board of education shall determine the amount of virtual
 43 school state aid a school district is to receive as follows:

1 (1) For school year 2015-2016:

2 (A) Determine the number of ~~pupils~~ *students* enrolled in virtual
3 school on a full-time basis, excluding those ~~pupils~~ *students* who are over
4 18 19 years of age, and multiply the total number of such ~~pupils~~ *students*
5 by ~~\$5,000~~ *the foundation state aid per student as determined under section*
6 *4, and amendments thereto;*

7 (B) (2) determine the full-time equivalent enrollment of ~~pupils~~
8 *students* enrolled in virtual school on a part-time basis, excluding those
9 pupils who are over 18 19 years of age, and multiply the total full-time
10 equivalent enrollment of such ~~pupils~~ *students* by ~~\$4,045~~ *by \$1,700;*

11 (C) (3) for ~~pupils~~ *students* enrolled in a virtual school who are over
12 18 19 years of age, determine the number of one-hour credit courses such
13 ~~pupils~~ *students* have passed, *not to exceed six credit courses per school*
14 *year,* and multiply the total number of such courses by ~~\$933~~ *\$709;* and

15 (D) (4) add the amounts calculated under subsections (d)(1)(A)
16 through (d)(1)(C) (4). The resulting sum is the amount of virtual school
17 state aid the school district shall receive.

18 (2) For school year 2016-2017:

19 (A) Determine the number of ~~pupils~~ *enrolled in virtual school on a*
20 *full-time basis, excluding those pupils who are over 18 years of age, and*
21 *multiply the total number of such pupils by \$5,600;*

22 (B) determine the full-time equivalent enrollment of ~~pupils~~ *enrolled*
23 *in virtual school on a part-time basis, excluding those pupils who are over*
24 *18 years of age, and multiply the total full-time equivalent enrollment of*
25 *such pupils by \$1,700;*

26 (C) for ~~pupils~~ *enrolled in a virtual school who are over 18 years of*
27 *age, determine the number of one-hour credit courses such pupils have*
28 *passed and multiply the total number of such courses by \$933; and*

29 (D) add the amounts calculated under subsections (d)(2)(A) through
30 (d)(2)(C). The resulting sum is the amount of virtual school state aid the
31 school district shall receive.

32 (3) For purposes of this subsection:

33 (A) "Full-time" means attendance in a virtual school for no less than
34 six hours as determined pursuant to subsection (b).

35 (B) "Part-time" means attendance in a virtual school for less than six
36 hours as determined pursuant to subsection (b).

37 (e) There is hereby established in every school district a fund which
38 shall be called the virtual school fund, which fund shall consist of all
39 moneys deposited therein or transferred thereto according to law. The
40 expenses of a school district directly attributable to virtual schools offered
41 by a school district may be paid from the virtual school fund. The cost of
42 an advance placement course provided to a ~~pupil~~ *student* by a virtual
43 school shall be paid by the virtual school. Amounts deposited in the virtual

1 school fund may be transferred to the general fund of the school district as
2 approved by the board of education.

3 Any balance remaining in the virtual school fund at the end of the
4 budget year shall be carried forward into the virtual school fund for
5 succeeding budget years. Such fund shall not be subject to the provisions
6 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

7 In preparing the budget of such school district, the amounts credited to
8 and the amount on hand in the virtual school fund, and the amount
9 expended therefrom shall be included in the annual budget for the
10 information of the residents of the school district. Interest earned on the
11 investment of moneys in any such fund shall be credited to that fund.

12 (f) For the purposes of this section, a ~~part~~ *student* enrolled in a
13 virtual school who is not a resident of the state of Kansas shall not be
14 counted in the full-time equivalent enrollment of the virtual school. The
15 virtual school shall record the permanent address of any ~~part~~ *student*
16 enrolled in such virtual school.

17 (g) *For purposes of this section:*

18 (A) *"Full-time" means attendance in a virtual school for no less than*
19 *six hours as determined pursuant to subsection (b).*

20 (B) *"Part-time" means attendance in a virtual school for less than six*
21 *hours as determined pursuant to subsection (b).*

22 Sec. 64. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as
23 follows: 72-5333b. (a) The unified school district maintaining and
24 operating a school on the Fort Leavenworth military reservation, being
25 unified school district No. 207 of Leavenworth county, state of Kansas,
26 shall have a governing body, which shall be known as the "Fort
27 Leavenworth school district board of education" and which shall consist of
28 three members who shall be appointed by, and serve at the pleasure of the
29 commanding general of Fort Leavenworth. One member of the board shall
30 be the president and one member shall be the vice-president. The
31 commanding general, when making any appointment to the board, shall
32 designate which of the offices the member so appointed shall hold. Except
33 as otherwise expressly provided in this section, the district board and the
34 officers thereof shall have and may exercise all the powers, duties,
35 authority and jurisdiction imposed or conferred by law on unified school
36 districts and boards of education thereof, except such school district shall
37 not offer or operate any of grades 10 through 12.

38 (b) The board of education of the school district shall not have the
39 power to issue bonds.

40 (c) Except as otherwise expressly provided in this subsection, the
41 provisions of the ~~classroom learning assuring student success act, K.S.A.~~
42 ~~2016 Supp. 72-6463~~ *education finance act, section 3 et seq.,* and
43 amendments thereto, apply to the school district. *As applied to the school*

1 *district, the terms "school financing sources" and "federal impact aid"*
2 *shall not include any moneys received by the school district under*
3 *subsection (3)(d)(2)(b) of public law 81-874. Any such moneys received*
4 *by the school district shall be deposited in the general fund of the school*
5 *district or, at the discretion of the board of education, in the capital outlay*
6 *fund of the school district.*

7 Sec. 65. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as
8 follows: 72-64b01. (a) No school district shall expend, use or transfer any
9 moneys from the general fund of the district for the purpose of engaging in
10 or supporting in any manner any litigation by the school district or any
11 person, association, corporation or other entity against the state of Kansas,
12 the state board of education, the state department of education, other state
13 agency or any state officer or employee regarding *the education finance*
14 *act or any other law concerning school finance. No such moneys shall be*
15 *paid, donated or otherwise provided to any person, association,*
16 *corporation or other entity and used for the purpose of any such litigation.*

17 (b) Nothing in *section 15, and amendments thereto, or this section*
18 *shall be construed as prohibiting the expenditure, use or transfer of*
19 *moneys from the proceeds of any tax levied by a school district pursuant to*
20 ~~K.S.A. 2016 Supp. 72-6472~~ *section 19, and amendments thereto, for the*
21 *purposes specified in subsection (a).*

22 Sec. 66. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as
23 follows: 72-64c03. The appropriation of moneys necessary to pay general
24 state aid and supplemental general state aid under the ~~classroom learning~~
25 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *education*
26 *finance act, section 3 et seq., and amendments thereto, and state aid for the*
27 *provision of special education and related services under the special*
28 *education for exceptional children act shall be given first priority in the*
29 *legislative budgeting process and shall be paid first from existing state*
30 *revenues.*

31 Sec. 67. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as
32 follows: 72-64c05. Article 6 of the constitution of the state of Kansas
33 states that the legislature shall provide for intellectual, educational,
34 vocational and scientific improvement by establishing and maintaining
35 public schools; provide for a state board of education having general
36 supervision of public schools, educational institutions and the educational
37 interests of the state, except those delegated by law to the state board of
38 regents; and make suitable provision for finance of the educational
39 interests of the state. It is the purpose and intention of the legislature to
40 provide a financing system for the education of kindergarten and grades
41 one through 12 which provides students with the capacities set forth in
42 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing
43 system shall be sufficiently flexible for the legislature to consider and

1 utilize financing methods from all available resources in order to satisfy
2 the constitutional requirements under article 6. Such financing methods
3 shall include, but are not limited to, the following:

4 (a) Federal funding to unified school districts or public schools,
5 including any grants or federal assistance;

6 (b) subject to appropriations by the legislature, appropriations of state
7 moneys for the improvement of public education, including, but not
8 limited to, the following:

9 (1) Financing to unified school districts through the ~~classroom-~~
10 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463-~~
11 ~~education finance act, section 3 et seq., and amendments thereto;~~

12 (2) financing to unified school districts through any provisions which
13 provide state aid, such as capital improvements state aid, capital outlay
14 state aid and any other state aid paid, distributed or allocated to school
15 districts on the basis of the assessed valuation of school districts;

16 (3) employer contributions to the Kansas public employees retirement
17 system for public schools;

18 (4) appropriations to the Kansas children's cabinet for programs
19 serving students enrolled in unified school districts in meeting the goal
20 specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

21 (5) appropriations to any programs which provide early learning to
22 four-year-old children with the purpose of preparing them for success in
23 public schools;

24 (6) appropriations to any programs, such as communities in schools,
25 which provide individualized support to students enrolled in unified school
26 districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and
27 amendments thereto;

28 (7) transportation financing, including any transfers from the state
29 general fund and state highway fund to the state department of education
30 to provide technical education transportation, special education
31 transportation or school bus safety;

32 (8) financing to other facilities providing public education to students,
33 such as the Kansas state school for the blind, the Kansas state school for
34 the deaf, school district juvenile detention facilities and the Flint Hills job
35 corps center;

36 (9) appropriations relating to the Kansas academy of mathematics and
37 science;

38 (10) appropriations relating to teaching excellence, such as
39 scholarships, awards, training or in-service workshops;

40 (11) appropriations to the state board of regents to provide technical
41 education incentives to unified school districts and tuition costs to
42 postsecondary institutions which provide career technical education to
43 secondary students; and

1 (12) appropriations to any postsecondary educational institution
2 which provides postsecondary education to a secondary student without
3 charging tuition to such student;

4 (c) any provision which authorizes the levying of local taxes for the
5 purpose of financing public schools; and

6 (d) any transfer of funds or appropriations from one object or fund to
7 another approved by the legislature for the purpose of financing public
8 schools.

9 Sec. 68. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as
10 follows: 72-6622. In the event that all of the property acquired by any two
11 cities under the provisions of K.S.A. 3-404 et seq., and amendments
12 thereto, is included within the territory of a unified school district in which
13 only one of such cities is located:

14 (a) One-half of the assessed valuation of such property shall be
15 assigned to each of the two school districts in which such cities are located
16 for the purposes of determining the assessed valuation of each district for
17 ~~entitlement to:~~ (1) *Supplemental general state aid under section 17, and*
18 *amendments thereto; and (2) payment from the school district capital*
19 *improvements fund under K.S.A. 75-2319, and amendments thereto;*

20 (b) The revenue to be received by each district under subsection (c)
21 shall be used as a receipt by such district in computing its ad valorem tax
22 requirement for each tax levy fund; and

23 (c) Such property shall be subject to taxation for school purposes at a
24 rate equal to the aggregate of all rates imposed for school purposes upon
25 property located within the school district in which such property is
26 located, but one-half of the proceeds derived from such levy shall be
27 allocated to each of the two school districts in which such cities are
28 located.

29 Sec. 69. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as
30 follows: 72-6624. (a) As used in this section:

31 (1) "School district" means unified school district No. 404, unified
32 school district No. 493, unified school district No. 499 and unified school
33 district No. 508.

34 (2) "Property" means any property, and improvements thereon,
35 comprising a racetrack gaming facility or lottery gaming facility under the
36 Kansas expanded lottery act located in Cherokee county.

37 (3) "State aid" means general state aid, *supplemental general state*
38 *aid*, capital improvements state aid, capital outlay state aid and any other
39 state aid paid, distributed or allocated to school districts under the
40 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
41 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto, or
42 other law, and any other state aid paid, distributed or allocated to school
43 districts on the basis of the assessed valuation of school districts.

1 (b) For the purposes of computing the assessed valuation of school
2 districts for the payment, distribution or allocation of state aid and the
3 levying of school taxes, $\frac{1}{4}$ of the assessed valuation of such property shall
4 be assigned to each of the school districts.

5 (c) The provisions of this section shall not apply if the property is not
6 or ceases to be used as a racetrack gaming facility or lottery gaming
7 facility under the Kansas expanded lottery act.

8 Sec. 70. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as
9 follows: 72-6625. (a) As used in this section:

10 (1) "School district" means unified school district No. 507 and
11 unified school district No. 374.

12 (2) "Property" means the following described property, and
13 improvements thereon, comprised of 1,120 acres, more or less, located in
14 Haskell county: All of Section 34, Township 29 South, Range 33 West and
15 the West $\frac{1}{2}$ of Section 3, Township 30 South, Range 33 West and the
16 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

17 (3) "State aid" means general state aid, *supplemental general state*
18 *aid*, capital improvements state aid, capital outlay state aid and any other
19 state aid paid, distributed or allocated to school districts under the
20 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
21 ~~6463 education finance act, section 3 et seq., and amendments thereto, or~~
22 other law, and any other state aid paid, distributed or allocated to school
23 districts on the basis of the assessed valuation of school districts.

24 (b) For the purposes of computing the assessed valuation of school
25 districts for the payment, distribution or allocation of state aid and the
26 levying of school taxes, $\frac{1}{2}$ of the assessed valuation of such property shall
27 be assigned to each of the school districts.

28 (c) The provisions of this section shall not apply if the property is not
29 or ceases to be used for the production of ethanol.

30 Sec. 71. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as
31 follows: 72-6757. (a) As used in this section:

32 (1) "Receiving school district" means a school district of
33 nonresidence of a pupil who attends school in such school district.

34 (2) "Sending school district" means a school district of residence of a
35 pupil who attends school in a school district not of the pupil's residence.

36 (b) The board of education of any school district may make and enter
37 into contracts with the board of education of any receiving school district
38 located in this state for the purpose of providing for the attendance of
39 pupils at school in the receiving school district.

40 (c) The board of education of any school district may make and enter
41 into contracts with the governing authority of any accredited school
42 district located in another state for the purpose of providing for the
43 attendance of pupils from this state at school in such other state or for the

1 attendance of pupils from such other state at school in this state.

2 (d) Pupils attending school in a receiving school district in
3 accordance with a contract authorized by this section and made and
4 entered into by such receiving school district with a sending school district
5 located in this state shall be counted as regularly enrolled in and attending
6 school in the sending school district for the purpose of computations under
7 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
8 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto.

9 (e) Any contract made and entered into under authority of this section
10 is subject to the following conditions:

11 (1) The contract shall be for the benefit of pupils who reside at
12 inconvenient or unreasonable distances from the schools maintained by the
13 sending school district or for pupils who, for any other reason deemed
14 sufficient by the board of education of the sending school district, should
15 attend school in a receiving school district;

16 (2) the contract shall make provision for the payment of tuition by the
17 sending school district to the receiving school district;

18 (3) if a sending school district is located in this state and the receiving
19 school district is located in another state, the amount of tuition provided to
20 be paid for the attendance of a pupil or pupils at school in the receiving
21 school district shall not exceed $\frac{1}{2}$ of the amount of the budget per pupil of
22 the sending school district under the ~~classroom learning assuring student~~
23 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *education finance act, section 3* et
24 seq., and amendments thereto, for the current school year; and

25 (4) the contract shall make provision for transportation of pupils to
26 and from the school attended on every school day.

27 (f) Amounts received pursuant to contracts made and entered into
28 under authority of this section by a school district located in this state for
29 enrollment and attendance of pupils at school in regular educational
30 programs shall be deposited in the general fund of the school district.

31 (g) The provisions of subsection (e)(3) do not apply to unified school
32 district No. 104, Jewell county.

33 (h) The provisions of this section do not apply to contracts made and
34 entered into under authority of the special education for exceptional
35 children act.

36 (i) The provisions of this section are deemed to be alternative to the
37 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure
38 or authorization under K.S.A. 72-8233, and amendments thereto, shall be
39 limited by the provisions of this section.

40 Sec. 72. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as
41 follows: 72-67,115. (a) The board of education of any school district may:

42 (1) Offer and teach courses and conduct preschool programs for
43 children under the age of eligibility to attend kindergarten.

1 (2) Enter into cooperative or interlocal agreements with one or more
2 other boards for the establishment, operation and maintenance of such
3 preschool programs.

4 (3) Contract with private, nonprofit corporations or associations or
5 with any public or private agency or institution, whether located within or
6 outside the state, for the establishment, operation and maintenance of such
7 preschool programs.

8 (4) Prescribe and collect fees for providing such preschool programs.

9 (b) Fees for providing preschool programs shall be prescribed and
10 collected only to recover the costs incurred as a result of and directly
11 attributable to the establishment, operation and maintenance of the
12 preschool programs. Revenues from fees collected by a board under this
13 section shall be deposited in the general fund of the school district and
14 shall be considered reimbursements to the district for the purpose of the
15 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
16 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto, and
17 may be expended whether the same have been budgeted or not and
18 amounts so expended shall not be considered operating expenses.

19 Sec. 73. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as
20 follows: 72-7535. (a) In order to equip students with the knowledge and
21 skills needed to become self-supporting and to enable students to make
22 critical decisions regarding personal finances, the state board of education
23 shall authorize and assist in the implementation of programs on teaching
24 personal financial literacy.

25 (b) The state board of education shall develop a curriculum, materials
26 and guidelines that local boards of education and governing authorities of
27 accredited nonpublic schools may use in implementing the program of
28 instruction on personal financial literacy. The state board of education
29 shall adopt a glossary of personal financial literacy terms which shall be
30 used by school districts when implementing the program on personal
31 financial literacy.

32 (c) The state board of education shall develop state curriculum
33 standards for personal financial literacy, for all grade levels, within the
34 existing mathematics curriculum or another appropriate subject-matter
35 curriculum.

36 (d) The state board of education shall encourage school districts when
37 selecting textbooks for mathematics, economics, family and consumer
38 science, accounting or other appropriate courses, to select those textbooks
39 which contain substantive provisions on personal finance, including
40 personal budgeting, credit, debt management and other topics concerning
41 personal financial literacy.

42 (e) The state board of education shall include questions relating to
43 personal financial literacy in the statewide assessments for mathematics or

1 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 44*, and
2 amendments thereto. When the statewide assessments for mathematics or
3 social studies are reviewed or rewritten, the state board of education shall
4 examine the questions relating to personal financial literacy and rewrite
5 such questions in order to determine if programs on personal financial
6 literacy are equipping students with the knowledge and skills needed to
7 become self-supporting and enabling students to make critical decisions
8 regarding personal finances.

9 Sec. 74. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as
10 follows: 72-8187. (a) In each school year, to the extent that appropriations
11 are available, each school district which has provided educational services
12 for pupils residing at the Flint Hills job corps center, for pupils housed at a
13 psychiatric residential treatment facility or for pupils confined in a juvenile
14 detention facility is eligible to receive a grant of state moneys in an
15 amount to be determined by the state board of education.

16 (b) In order to be eligible for a grant of state moneys provided for by
17 this section, each school district which has provided educational services
18 for pupils residing at the Flint Hills job corps center, for pupils housed at a
19 psychiatric residential treatment facility or for pupils confined in a juvenile
20 detention facility shall submit to the state board of education an
21 application for a grant and shall certify the amount expended, and not
22 reimbursed or otherwise financed, in the school year for the services
23 provided. The application and certification shall be prepared in such form
24 and manner as the state board shall require and shall be submitted at a time
25 to be determined and specified by the state board. Approval by the state
26 board of applications for grants of state moneys is prerequisite to the
27 award of grants.

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

31 (d) All moneys received by a school district under authority of this
32 section shall be deposited in the general fund of the school district and
33 shall be considered reimbursement of the district for the purpose of the
34 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
35 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto.

36 (e) The state board of education shall approve applications of school
37 districts for grants, determine the amount of grants and be responsible for
38 payment of grants to school districts. In determining the amount of a grant
39 which a school district is eligible to receive, the state board shall compute
40 the amount of state financial aid the district would have received on the
41 basis of enrollment of pupils residing at the Flint Hills job corps center,
42 housed at a psychiatric residential treatment facility or confined in a
43 juvenile detention facility if such pupils had been counted as two pupils

1 under the school district finance and quality performance act and compare
2 such computed amount to the amount certified by the district under
3 subsection (b). The amount of the grant the district is eligible to receive
4 shall be an amount equal to the lesser of the amount computed under this
5 subsection or the amount certified under subsection (b). If the amount of
6 appropriations for the payment of grants under this section is insufficient
7 to pay in full the amount each school district is determined to be eligible to
8 receive for the school year, the state board shall prorate the amount
9 appropriated among all school districts which are eligible to receive grants
10 of state moneys in proportion to the amount each school district is
11 determined to be eligible to receive.

12 (f) On or before July 1 of each year, the secretary for aging and
13 disability services shall submit to the Kansas department of education a list
14 of facilities which have been certified and licensed as psychiatric
15 residential treatment facilities.

16 (g) As used in this section:

17 (1) "Enrollment" means the number of pupils who are: (A) Residing
18 at the Flint Hills job corps center, confined in a juvenile detention facility
19 or residing at a psychiatric residential treatment facility; and (B) for whom
20 a school district is providing educational services on September 20, on
21 November 20, or on April 20 of a school year, whichever is the greatest
22 number of pupils;

23 (2) "juvenile detention facility" means any public or private facility
24 which is used for the lawful custody of accused or adjudicated juvenile
25 offenders and which shall not be a jail; and

26 (3) "psychiatric residential treatment facility" means a facility which
27 provides psychiatric services to individuals under the age of 21 and which
28 conforms with the regulations of the centers for medicare/medicaid
29 services, is licensed and certified by the Kansas department for aging and
30 disability services pursuant to subsection (f).

31 Sec. 75. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as
32 follows: 72-8190. (a) For the purpose of determination of *supplemental*
33 *general state aid under section 17, and amendments thereto, and* payments
34 from the school district capital improvements fund under K.S.A. 75-2319,
35 and amendments thereto, notwithstanding any provision of either such
36 statutory section to the contrary, the term assessed valuation per pupil, as
37 applied to unified school district No. 203, Wyandotte county, shall not
38 include within its meaning the assessed valuation of property which is
39 owned by Sunflower Racing, Inc. and operated as a racetrack facility
40 known as the Woodlands. The meaning of assessed valuation per pupil as
41 provided in this subsection, for the purposes specified in this subsection,
42 and as applied to the unified school district designated in this subsection,
43 shall be in force and effect for the 1994-95 and 1995-96 school years.

1 (b) (1) In the event unified school district No. 203, Wyandotte county,
2 receives in any school year the proceeds from any taxes which may be
3 paid upon the Woodlands for the 1994-95 school year or the 1995-96
4 school year or for both such school years, the state board of education
5 shall deduct an amount equal to the amount of such tax proceeds from
6 future payments of state aid to which the district is entitled.

7 (2) For the purposes of this subsection, the term "state aid" means
8 payments from the school district capital improvements fund.

9 Sec. 76. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as
10 follows: 72-8230. (a) In the event the boards of education of any two or
11 more school districts enter into a school district interlocal cooperation
12 agreement for the purpose of jointly and cooperatively performing any of
13 the services, duties, functions, activities, obligations or responsibilities
14 which are authorized or required by law to be performed by school
15 districts of this state, the following conditions shall apply:

16 (1) A school district interlocal cooperation agreement shall establish a
17 board of directors which shall be responsible for administering the joint or
18 cooperative undertaking. The agreement shall specify the organization and
19 composition of and manner of appointment to the board of directors. Only
20 members of boards of education of school districts party to the agreement
21 shall be eligible for membership on the board of directors. The terms of
22 office of members of the board of directors shall expire concurrently with
23 their terms as board of education members. Vacancies in the membership
24 of the board of directors shall be filled within 30 days from the date of the
25 vacancy in the manner specified in the agreement.

26 (2) A school district interlocal cooperation agreement may provide
27 for the establishment and composition of an executive board. The
28 members of the executive board, if established, shall be selected by the
29 board of directors from its membership. The executive board shall exercise
30 the powers, have the responsibilities, and perform the duties and functions
31 of the board of directors to the extent authority to do so is delegated by the
32 board of directors.

33 (3) A school district interlocal cooperation agreement shall be
34 effective only after approval by the state board of education.

35 (4) A school district interlocal cooperation agreement shall be subject
36 to change or termination by the legislature.

37 (5) The duration of a school district interlocal cooperation agreement
38 for joint or cooperative action in performing any of the services, duties,
39 functions, activities, obligations or responsibilities, other than the
40 provision of special education services, which are authorized or required
41 by law to be performed by school districts of this state, shall be for a term
42 of at least three years but not exceeding five years.

43 (6) (A) The duration of a school district interlocal cooperation

1 agreement for joint or cooperative action in providing special education
2 services shall be perpetual unless the agreement is partially or completely
3 terminated in accordance with this provision. This provision applies to
4 every school district interlocal cooperation agreement for the provision of
5 special education services entered into under authority of this section after
6 the effective date of this act and to every such agreement entered into
7 under this section prior to the effective date of this act, and extant on the
8 effective date of this act, regardless of any provisions in such an agreement
9 to the contrary.

10 (B) Partial termination of a school district interlocal cooperation
11 agreement for the provision of special education services made and
12 entered into by the boards of three or more school districts may be
13 accomplished only upon petition for withdrawal from the agreement by a
14 contracting school district to the other contracting school districts and
15 approval by the state board of written consent to the petition by such other
16 school districts or upon order of the state board after appeal to it by a
17 school district from denial of consent to a petition for withdrawal and
18 hearing thereon conducted by the state board. The state board shall
19 consider all the testimony and evidence brought forth at the hearing and
20 issue an order approving or disapproving withdrawal by the school district
21 from the agreement.

22 (C) Complete termination of a school district interlocal cooperation
23 agreement for the provision of special education services made and
24 entered into by the boards of two school districts may be accomplished
25 upon approval by the state board of a joint petition made to the state board
26 for termination of the agreement by both of the contracting school districts
27 after adoption of a resolution to that effect by each of the contracting
28 school districts or upon petition for withdrawal from the agreement made
29 by a contracting school district to the other contracting school district and
30 approval by the state board of written consent to the petition by such other
31 school district or upon order of the state board after appeal to it by a school
32 district from denial of consent to a petition for withdrawal and hearing
33 thereon conducted by the state board. The state board shall consider all the
34 testimony and evidence brought forth at the hearing and issue an order
35 approving or disapproving withdrawal by the school district from the
36 agreement.

37 (D) Complete termination of a school district interlocal cooperation
38 agreement for the provision of special education services made and
39 entered into by the boards of three or more school districts may be
40 accomplished only upon approval by the state board of a joint petition
41 made to the state board for termination of the agreement by not less than
42 $\frac{2}{3}$ of the contracting school districts after adoption of a resolution to that
43 effect by each of the contracting school districts seeking termination of the

1 agreement. The state board shall consider the petition and approve or
2 disapprove termination of the agreement.

3 (E) The state board shall take such action in approving or
4 disapproving the complete or partial termination of a school district
5 interlocal cooperation agreement for the provision of special education
6 services as the state board deems to be in the best interests of the involved
7 school districts and of the state as a whole in the provision of special
8 education services for exceptional children. Whenever the state board has
9 disapproved the complete or partial termination of such an agreement, no
10 further action with respect to such agreement shall be considered or taken
11 by the state board for a period of not less than three years.

12 (7) A school district interlocal cooperation agreement shall specify
13 the method or methods to be employed for disposing of property upon
14 partial or complete termination.

15 (8) Within the limitations provided by law, a school district interlocal
16 cooperation agreement may be changed or modified by affirmative vote of
17 not less than $\frac{2}{3}$ of the contracting school districts.

18 (b) Except as otherwise specifically provided in this subsection, any
19 power or powers, privileges or authority exercised or capable of exercise
20 by any school district of this state, or by any board of education thereof,
21 may be jointly exercised pursuant to the provisions of a school district
22 interlocal cooperation agreement. No power or powers, privileges or
23 authority with respect to the levy and collection of taxes, the issuance of
24 bonds, or the purposes and provisions of the ~~classroom learning assuring~~
25 ~~student success act, K.S.A. 2016 Supp. 72-6463~~ *education finance act,*
26 *section 3 et seq.,* and amendments thereto, or title I of public law 874 shall
27 be created or effectuated for joint exercise pursuant to the provisions of a
28 school district interlocal cooperation agreement.

29 (c) Payments from the general fund of each school district which
30 enters into any school district interlocal cooperation agreement for the
31 purpose of financing the joint or cooperative undertaking provided for by
32 the agreement shall be operating expenses.

33 (d) Upon partial termination of a school district interlocal cooperation
34 agreement, the board of directors established under a renegotiated
35 agreement thereof shall be the successor in every respect to the board of
36 directors established under the former agreement.

37 (e) Nothing contained in this section shall be construed to abrogate,
38 interfere with, impair, qualify or affect in any manner the exercise and
39 enjoyment of all of the powers, privileges and authority conferred upon
40 school districts and boards of education thereof by the provisions of the
41 interlocal cooperation act, except that boards of education and school
42 districts are required to comply with the provisions of this section when
43 entering into an interlocal cooperation agreement that meets the definition

1 of school district interlocal cooperation agreement.

2 (f) As used in this section:

3 (1) "School district interlocal cooperation agreement" means an
4 agreement which is entered into by the boards of education of two or more
5 school districts pursuant to the provisions of the interlocal cooperation act.

6 (2) "State board" means the state board of education.

7 Sec. 77. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as
8 follows: 72-8233. (a) In accordance with the provisions of this section, the
9 boards of education of any two or more unified school districts may make
10 and enter into agreements providing for the attendance of pupils residing
11 in one school district at school in kindergarten or any of the grades one
12 through 12 maintained by any such other school district. The boards of
13 education may also provide by agreement for the combination of
14 enrollments for kindergarten or one or more grades, courses or units of
15 instruction.

16 (b) Prior to entering into any agreement under authority of this
17 section, the board of education shall adopt a resolution declaring that it has
18 made a determination that such an agreement should be made and that the
19 making and entering into of such an agreement would be in the best
20 interests of the educational system of the school district. Any such
21 agreement is subject to the following conditions:

22 (1) The agreement may be for any term not exceeding a term of five
23 years.

24 (2) The agreement shall be subject to change or termination by the
25 legislature.

26 (3) Within the limitations provided by law, the agreement may be
27 changed or terminated by mutual agreement of the participating boards of
28 education.

29 (4) The agreement shall make provision for transportation of pupils to
30 and from the school attended on every school day, for payment or sharing
31 of the costs and expenses of pupil attendance at school, and for the
32 authority and responsibility of the participating boards of education.

33 (c) Provision by agreements entered into under authority of this
34 section for the attendance of pupils at school in a school district of
35 nonresidence of such pupils shall be deemed to be compliance with the
36 kindergarten, grade, course and units of instruction requirements of law.

37 (d) The board of education of any school district which enters into an
38 agreement under authority of this section for the attendance of pupils at
39 school in another school district may discontinue kindergarten or any or all
40 of the grades, courses and units of instruction specified in the agreement
41 for attendance of pupils enrolled in kindergarten or any such grades,
42 courses and units of instruction at school in such other school district.
43 Upon discontinuing kindergarten or any grade, course or unit of instruction

1 under authority of this subsection, the board of education may close any
2 school building or buildings operated or used for attendance by pupils
3 enrolled in such discontinued kindergarten, grades, courses or units of
4 instruction. The closing of any school building under authority of this
5 subsection shall require a majority vote of the members of the board of
6 education and shall require no other procedure or approval.

7 (e) Pupils attending school in a school district of nonresidence of
8 such pupils in accordance with an agreement made and entered into under
9 authority of this section shall be counted as regularly enrolled in and
10 attending school in the school district of residence of such pupils for the
11 purpose of computations under the ~~classroom learning assuring student~~
12 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *education finance act, section 3 et*
13 *seq.*, and amendments thereto.

14 (f) Pupils who satisfactorily complete grade 12 while in attendance at
15 school in a school district of nonresidence of such pupils in accordance
16 with the provisions of an agreement entered into under authority of this
17 section shall be certified as having graduated from the school district of
18 residence of such pupils unless otherwise provided for by the agreement.

19 Sec. 78. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as
20 follows: 72-8236. (a) The board of education of any school district may:
21 (1) Establish, operate and maintain a child care facility; (2) enter into
22 cooperative or interlocal agreements with one or more other boards for the
23 establishment, operation and maintenance of a child care facility; (3)
24 contract with private, nonprofit corporations or associations or with any
25 public or private agency or institution, whether located within or outside
26 the state, for the establishment, operation and maintenance of a child care
27 facility; and (4) prescribe and collect fees for providing care at a child care
28 facility.

29 (b) Fees for providing care at a child care facility established under
30 authority of this section shall be prescribed and collected only to recover
31 the costs incurred as a result of and directly attributable to the
32 establishment, operation and maintenance of the child care facility.
33 Revenues from fees collected by a board under this section shall be
34 deposited in the general fund of the school district and shall be considered
35 reimbursements to the district for the purpose of the ~~classroom learning~~
36 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *education*
37 *finance act, section 3 et seq.*, and amendments thereto, and may be
38 expended whether the same have been budgeted or not and amounts so
39 expended shall not be considered operating expenses.

40 (c) Every school district which establishes, operates and maintains a
41 child care facility shall be subject to the provisions contained in article 5 of
42 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

43 (d) As used in this section, the term "child" means any child who is

1 three years of age or older, and any infant or toddler whose parent or
2 parents are pupils or employees of a school district which establishes,
3 operates and maintains, or cooperates in the establishment, operation and
4 maintenance of, a child care facility under authority of this act.

5 Sec. 79. K.S.A. 2016 Supp. 72-8237 is hereby amended to read as
6 follows: 72-8237. (a) The board of education of any school district may:
7 (1) Establish, operate and maintain a summer program for pupils; (2) enter
8 into cooperative or interlocal agreements with one or more other boards of
9 education for the establishment, operation and maintenance of a summer
10 program for pupils; and (3) prescribe and collect fees for providing a
11 summer program for pupils or provide such program without charge.

12 (b) Fees for providing a summer program for pupils shall be
13 prescribed and collected only to recover the costs incurred as a result of
14 and directly attributable to the establishment, operation and maintenance
15 of the program.

16 (c) No school district may collect fees for providing a summer
17 program for pupils required to attend such a program in accordance with
18 the provisions of law, rules and regulations of the state board of education,
19 policy of the board of education, or an individualized education plan
20 developed for an exceptional child.

21 (d) There is hereby established in every district which establishes,
22 operates and maintains a summer program a fund which shall be called the
23 summer program fund, which fund shall consist of all moneys deposited
24 therein or transferred thereto according to law. All moneys received by a
25 district from fees collected under this section or from any other source for
26 summer programs shall be credited to the summer program fund. ~~Amounts~~
27 ~~deposited in the summer program fund may be used for the payment of~~
28 ~~expenses directly attributable to the program or may be transferred to the~~
29 ~~general fund of the school district as approved by the board of education~~
30 *The expenses of the school district directly attributable to summer*
31 *programs shall be paid from the summer program fund.*

32 *Any unencumbered balance of moneys remaining in the summer*
33 *program fund of a school district on June 30 of the current school year*
34 *may be expended in the school year that immediately succeeds such date*
35 *by the school district for general operating expenses of the school district*
36 *as approved by the board of education.*

37 (e) As used in this section, the term "summer program" means a
38 program which is established by the board of education of a school district
39 and operated during the summer months for the purpose of giving remedial
40 instruction to pupils or for the purpose of conducting special projects and
41 activities designed to enrich and enhance the educational experience of
42 pupils, or for both such purposes.

43 Sec. 80. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as

1 follows: 72-8249. (a) There is hereby established in every school district a
2 special reserve fund. Moneys in such fund shall be used to:

3 (1) Pay claims, judgments, expenses and other purposes relating to
4 health care services, disability income benefits and group life insurance
5 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

6 (2) pay costs relating to uninsured losses; and

7 (3) pay the cost of workers compensation insurance and workers
8 compensation claims, awards, expenses and other purposes authorized by
9 the workers compensation act.

10 ~~Moneys in such fund may be transferred to the general fund of the~~
11 ~~school district as approved by the board of education.~~

12 (b) Any balance remaining in the special reserve fund at the end of
13 the budget year shall be carried forward into that reserve fund for
14 succeeding budget years. Such fund shall not be subject to the provisions
15 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
16 the budget of such school district, the amounts credited to and the amount
17 on hand in the special reserve fund, and the amount expended therefrom
18 shall be included in the annual budget for the information of the residents
19 of the school district. Interest earned on the investment of moneys in any
20 such fund shall be credited to that fund.

21 Sec. 81. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as
22 follows: 72-8250. (a) There is hereby established in every school district a
23 textbook and student materials revolving fund. Moneys in such fund shall
24 be used to:

25 (1) Purchase any items designated in K.S.A. 72-5389, and
26 amendments thereto;

27 (2) pay the cost of materials or other items used in curricular,
28 extracurricular or other school-related activities; and

29 (3) purchase textbooks as authorized by K.S.A. 72-4141, and
30 amendments thereto.

31 ~~Moneys in such fund may be transferred to the general fund of the~~
32 ~~school district as approved by the board of education.~~

33 (b) Any balance remaining in the textbook and student materials
34 revolving fund at the end of the budget year shall be carried forward into
35 that fund for succeeding budget years. Such fund shall not be subject to the
36 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
37 In preparing the budget of such school district, the amounts credited to and
38 the amount on hand in the textbook and student materials revolving fund,
39 and the amount expended therefrom shall be included in the annual budget
40 for the information of the residents of the school district. ~~Interest earned on~~
41 ~~the investment of moneys in any such fund shall be credited to that fund.~~

42 *Any unencumbered balance of moneys remaining in the textbook and*
43 *student materials revolving fund of a school district on June 30 of the*

1 *current school year may be expended in the school year that immediately*
2 *succeeds such date by the school district for general operating expenses of*
3 *the school district as approved by the board of education in an amount not*
4 *to exceed 1/3 of such balance in the school district's textbook and student*
5 *materials revolving fund.*

6 Sec. 82. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as
7 follows: 72-8251. Whenever a school district is required by law to make
8 any payment during the month of June and there is insufficient revenue to
9 make such payment as a result of the payment of state aid after the date
10 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~
11 ~~72-6466~~ section 7, and amendments thereto, the school district shall make
12 such payment as soon as moneys are available.

13 Sec. 83. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as
14 follows: 72-8302. (a) The board of education of a school district may
15 provide or furnish transportation for pupils who are enrolled in the school
16 district to or from any school of the school district or to or from any school
17 of another school district attended by such pupils in accordance with the
18 provisions of an agreement entered into under authority of K.S.A. 72-
19 8233, and amendments thereto.

20 (b) (1) When any or all of the conditions specified in this provision
21 exist, the board of education of a school district shall provide or furnish
22 transportation for pupils who reside in the school district and who attend
23 any school of the school district or who attend any school of another
24 school district in accordance with the provisions of an agreement entered
25 into under authority of K.S.A. 72-8233, and amendments thereto. The
26 conditions which apply to the requirements of this provision are as
27 follows:

28 (A) The residence of the pupil is inside or outside the corporate limits
29 of a city, the school building attended is outside the corporate limits of a
30 city and the school building attended is more than 2½ miles by the usually
31 traveled road from the residence of the pupil; or

32 (B) the residence of the pupil is outside the corporate limits of a city,
33 the school building attended is inside the corporate limits of a city and the
34 school building attended is more than 2½ miles by the usually traveled
35 road from the residence of the pupil; or

36 (C) the residence of the pupil is inside the corporate limits of one city,
37 the school building attended is inside the corporate limits of a different city
38 and the school building attended is more than 2½ miles by the usually
39 traveled road from the residence of the pupil.

40 (2) The provisions of this subsection are subject to the provisions of
41 subsections (c) and (d).

42 (c) The board of education of every school district is authorized to
43 adopt rules and regulations to govern the conduct, control and discipline of

1 all pupils while being transported in school buses. The board may suspend
2 or revoke the transportation privilege or entitlement of any pupil who
3 violates any rules and regulations adopted by the board under authority of
4 this subsection.

5 (d) The board of education of every school district may suspend or
6 revoke the transportation privilege or entitlement of any pupil who is
7 detained at school at the conclusion of the school day for violation of any
8 rules and regulations governing pupil conduct or for disobedience of an
9 order of a teacher or other school authority. Suspension or revocation of
10 the transportation privilege or entitlement of any pupil specified in this
11 subsection shall be limited to the school day or days on which the pupil is
12 detained at school. The provisions of this subsection do not apply to any
13 pupil who has been determined to be an exceptional child, except gifted
14 children, under the provisions of the special education for exceptional
15 children act.

16 (e) (1) Subject to the limitations specified in this subsection, the
17 board of education of any school district may prescribe and collect fees to
18 offset, totally or in part, the costs incurred for the provision or furnishing
19 of transportation for pupils. The limitations which apply to the
20 authorization granted by this subsection are as follows:

21 (A) Fees for the provision or furnishing of transportation for pupils
22 shall be prescribed and collected only to recover the costs incurred as a
23 result of and directly attributable to the provision or furnishing of
24 transportation for pupils and only to the extent that such costs are not
25 reimbursed from any other source provided by law;

26 (B) fees for the provision or furnishing of transportation may not be
27 assessed against or collected from any pupil *who is counted in determining*
28 *the transportation weighting of the school district under the education*
29 *finance act, section 3 et seq., and amendments thereto, or any pupil* who is
30 determined to be a child with disabilities under the provisions of the
31 special education for exceptional children act or any pupil who is eligible
32 for free or reduced price meals under the national school lunch act or any
33 pupil who is entitled to transportation under the provisions of K.S.A. 72-
34 8306(a), and amendments thereto, and who resides 2½ miles or more by
35 the regular route of a school bus from the school attended;

36 (C) fees for the provision or furnishing of transportation for pupils in
37 accordance with the provisions of an agreement entered into under
38 authority of K.S.A. 72-8233 or 72-8307, and amendments thereto, shall be
39 controlled by the provisions of the agreement.

40 (2) All moneys received by a school district from fees collected under
41 this subsection shall be deposited in the general fund of the district.

42 Sec. 84. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as
43 follows: 72-8309. (a) The board of education of a school district shall not

1 furnish or provide transportation for pupils or students who reside in
2 another school district except in accordance with the written consent of the
3 board of education of the school district in which such pupil or student
4 resides, or in accordance with an order issued by a board of education
5 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in
6 accordance with the provisions of an agreement entered into under
7 authority of K.S.A. 72-8233, and amendments thereto.

8 (b) A school district may transport a nonresident pupil or student if
9 such pupil or student boards the school bus within the boundaries or on the
10 boundary of the transporting school district. To the extent that the
11 provisions of this subsection conflict with the provisions of subsection (a),
12 the provisions of subsection (a) shall control.

13 (c) *No pupil who is furnished or provided transportation by a school*
14 *district that is not the school district in which the pupil resides shall be*
15 *counted in the computation of the school district's transportation*
16 *weighting under the education finance act, section 3 et seq., and*
17 *amendments thereto.*

18 Sec. 85. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as
19 follows: 72-8316. (a) Any board of education, pursuant to a policy
20 developed and adopted by it, may provide for the use of district-owned or
21 leased school buses when such buses are not being used for regularly
22 required school purposes. The policy may provide for:

23 (1) (A) Transporting parents and other adults to or from school-
24 related functions or activities; (B) transporting pupils to or from functions
25 or activities sponsored by organizations, the membership of which is
26 principally composed of children of school age; and (C) transporting
27 persons engaged in field trips in connection with their participation in an
28 adult education program maintained by the transporting school district or
29 by any other school district, within or outside the boundaries of the
30 transporting school district; and

31 (2) contracting with: (A) The governing body of any township, city or
32 county for transportation of individuals, groups or organizations; (B) the
33 governing authority of any nonpublic school for transportation of pupils
34 attending such nonpublic school to or from interschool or intraschool
35 functions or activities; (C) the board of trustees of any community college
36 for transportation of students enrolled in such community college to or
37 from attendance at class at the community college or to and from functions
38 or activities of the community college; (D) a public recreation commission
39 established and operated under the laws of this state, for any purposes
40 related to the operation of the recreation commission and all programs and
41 services thereof; (E) the board of education of any other school district for
42 transportation, on a cooperative and shared-cost basis, of pupils, school
43 personnel, parents and other adults to or from school-related functions or

1 activities; or (F) a four-year college or university, area vocational school or
2 area vocational-technical school for transportation of students to or from
3 attendance at class at the four-year college or university, area vocational
4 school or area vocational-technical school or for transportation of students,
5 alumni and other members of the public to or from functions or activities
6 of the four-year college or university, area vocational school or area
7 vocational-technical school.

8 *(b) The costs related to the use of school buses under the authority of*
9 *this section shall not be considered in determining the transportation*
10 *weighting of a school district under the education finance act, section 3, et*
11 *seq., and amendments thereto.*

12 ~~(b)~~ *(c) Transportation fees may be charged by the board to offset,*
13 *totally or in part, the costs incurred for the use of school buses under*
14 *authority of this section.*

15 ~~(c)~~ *(d) Any revenues received by a board of education as*
16 *transportation fees or under any contract entered into pursuant to this*
17 *section shall be deposited in the general fund of the school district and*
18 *shall be considered reimbursements to the school district for the purpose of*
19 *the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-*
20 ~~6463~~ *education finance act, section 3 et seq., and amendments thereto.*
21 *Such revenues may be expended whether the same have been budgeted or*
22 *not.*

23 *(d) The provisions of K.S.A. 8-1556(c), and amendments thereto,*
24 *apply to the use of school buses under authority of this section.*

25 Sec. 86. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as
26 follows: 72-8415b. (a) Any school district that elects to become a self-
27 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,
28 may transfer moneys from its general fund to the special reserve fund of
29 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 40*, and
30 amendments thereto.

31 *(b) Any community college that elects to become a self-insurer under*
32 *the provisions of K.S.A. 72-8414, and amendments thereto, may transfer*
33 *such amounts from its general fund to the health care services reserve fund*
34 *or the disability income benefits reserve fund, or the group life benefit*
35 *reserve fund, or all three, as may be deemed necessary to meet the cost of*
36 *health care services or disability income benefits, or group life insurance*
37 *claims, whichever is applicable.*

38 Sec. 87. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as
39 follows: 72-8801. (a) The board of education of any school district may
40 make an annual tax levy at a mill rate not to exceed the statutorily
41 prescribed mill rate upon the taxable tangible property in the school
42 district for the purposes specified in this act and, *with respect to any*
43 *redevelopment district established prior to July 1, 2017, pursuant to*

1 K.S.A. 12-1771, and amendments thereto, for the purpose of paying a
2 portion of the principal and interest on bonds issued by cities under the
3 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
4 redevelopment projects upon property located within the school district.
5 No levy shall be made under this act until a resolution is adopted by the
6 board of education in the following form:

7 Unified School District No. _____,
8 _____ County, Kansas.

9 RESOLUTION

10 Be It Resolved that:

11 The above-named school board shall be authorized to make an annual
12 tax levy ~~for a period not to exceed _____ years~~ in an amount not to
13 exceed _____ mills upon the taxable tangible property in the school
14 district for the purpose of acquisition, construction, reconstruction, repair,
15 remodeling, additions to, furnishing, maintaining and equipping of school
16 district property and equipment necessary for school district purposes,
17 including: (1) Acquisition of computer software; (2) acquisition of
18 performance uniforms; (3) housing and boarding pupils enrolled in an area
19 vocational school operated under the board; (4) architectural expenses; (5)
20 acquisition of building sites; (6) undertaking and maintenance of asbestos
21 control projects; (7) acquisition of school buses; and (8) acquisition of
22 other fixed assets, and, *with respect to any redevelopment district*
23 *established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and*
24 *amendments thereto*, for the purpose of paying a portion of the principal
25 and interest on bonds issued by cities under the authority of K.S.A. 12-
26 1774, and amendments thereto, for the financing of redevelopment
27 projects upon property located within the school district. The tax levy
28 authorized by this resolution may be made, unless a petition in opposition
29 to the same, signed by not less than 10% of the qualified electors of the
30 school district, is filed with the county election officer of the home county
31 of the school district within 40 calendar days after the last publication of
32 this resolution. In the event a petition is filed, the county election officer
33 shall submit the question of whether the tax levy shall be authorized to the
34 electors in the school district at an election called for that purpose or at the
35 next general election, as is specified by the board of education of the
36 above school district.

37 CERTIFICATE

38 This is to certify that the above resolution was duly adopted by the
39 board of education of Unified School District No. _____,
40 _____ County, Kansas, on the ____ day of _____, ____

41 _____
42 Clerk of the board of education.

43 All of the blanks in the above resolution shall be appropriately filled.

1 The blank preceding the word "years" shall be filled with a specific
2 number, and the blank preceding the word "mills" shall be filled with a
3 specific number, and no word shall be inserted in either of the blanks. The
4 resolution shall be published once a week for two consecutive weeks in a
5 newspaper having general circulation in the school district. If no petition
6 as specified above is filed in accordance with the provisions of the
7 resolution, the board of education may make the tax levy specified in the
8 resolution. If a petition is filed as provided in the resolution, the board of
9 education may notify the county election officer of the date of an election
10 to be held to submit the question of whether the tax levy shall be
11 authorized. If the board of education fails to notify the county election
12 officer within 60 calendar days after a petition is filed, the resolution shall
13 be deemed abandoned and no like resolution shall be adopted by the board
14 of education within the nine months following the first publication of the
15 resolution.

16 (b) As used in this act:

17 (1) "Unconditionally authorized to make a capital outlay tax levy"
18 means that the school district has adopted a resolution under this section,
19 has published the same, and either that the resolution was not protested or
20 that it was protested and an election has been held by which the tax levy
21 specified in the resolution was approved;

22 (2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the
23 mill levy rate in excess of eight mills if the resolution fixing such rate was
24 approved at an election prior to the effective date of this act; or (C) the
25 mill levy rate in excess of eight mills if no petition or no sufficient petition
26 was filed in protest to a resolution fixing such rate in excess of eight mills
27 and the protest period for filing such petition has expired;

28 (3) "asbestos control project" means any activity which is necessary
29 or incidental to the control of asbestos-containing material in buildings of
30 school districts and includes, but not by way of limitation, any activity
31 undertaken for the removal or encapsulation of asbestos-containing
32 material, for any remodeling, renovation, replacement, rehabilitation or
33 other restoration necessitated by such removal or encapsulation, for
34 conducting inspections, reinspections and periodic surveillance of
35 buildings, performing response actions, and developing, implementing and
36 updating operations and maintenance programs and management plans;

37 (4) "asbestos" means the asbestiform varieties of chrysotile
38 (serpentine), crocidolite (riebeckite), amosite (cumingtonitegrunerite),
39 anthophyllite, tremolite, and actinolite; and

40 (5) "asbestos-containing material" means any material or product
41 which contains more than 1% asbestos.

42 Sec. 88. K.S.A. 72-8803 is hereby amended to read as follows: 72-
43 8803. There is hereby established in every school district of the state a

1 fund which shall be called the capital outlay fund. The capital outlay fund
2 shall consist of all moneys deposited therein or transferred thereto in
3 accordance with law. The proceeds of any tax levied under article 88 of
4 chapter 72 of Kansas Statutes Annotated, *and amendments thereto, shall*
5 *be deposited in the capital outlay fund of the school district making such*
6 *levy, except for an amount to pay a portion of the principal and interest on*
7 *bonds issued by cities under the authority of K.S.A. 12-1774, and*
8 *amendments thereto, for the financing of redevelopment projects upon*
9 *property located within the school district, shall be deposited in the capital*
10 ~~*outlay fund of the school district making such levy with respect to any*~~
11 ~~*redevelopment district established prior to July 1, 2017, pursuant to*~~
12 ~~*K.S.A. 12-1771, and amendments thereto.*~~

13 Sec. 89. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as
14 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school
15 district and any moneys received from issuance of bonds under K.S.A. 72-
16 8805 or 72-8810, and amendments thereto, may be used for the purpose of
17 the acquisition, construction, reconstruction, repair, remodeling, additions
18 to, furnishing, maintaining and equipping of school district property and
19 equipment necessary for school district purposes, including: (1)
20 Acquisition of computer software; (2) acquisition of performance
21 uniforms; (3) housing and boarding pupils enrolled in an area vocational
22 school operated under the board of education; (4) architectural expenses;
23 (5) acquisition of building sites; (6) undertaking and maintenance of
24 asbestos control projects; (7) acquisition of school buses; and (8)
25 acquisition of other fixed assets, ~~and, for school years 2015-2016 and~~
26 ~~2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and~~
27 ~~amendments thereto, may be transferred to the general fund of the school~~
28 ~~district as approved by the board of education.~~

29 (b) The board of education of any school district is hereby authorized
30 to invest any portion of the capital outlay fund of the school district which
31 is not currently needed in investments authorized by K.S.A. 12-1675, and
32 amendments thereto, in the manner prescribed therein, or may invest the
33 same in direct obligations of the United States government maturing or
34 redeemable at par and accrued interest within three years from date of
35 purchase, the principal and interest whereof is guaranteed by the
36 government of the United States. All interest received on any such
37 investment shall upon receipt thereof be credited to the capital outlay fund.

38 Sec. 90. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as
39 follows: 72-8908. As used in this act:

- 40 (a) "Juvenile" means a person who is less than 18 years of age;
41 (b) "adult" means a person who is 18 years of age or older;
42 (c) "felony" means any crime designated a felony by the laws of
43 Kansas or the United States;

1 (d) "misdemeanor" means any crime designated a misdemeanor by
2 the laws of Kansas or the United States;

3 (e) "school day" means any day on which school is maintained;

4 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016-~~
5 ~~Supp. 72-6464 section 4~~, and amendments thereto;

6 (g) "counsel" means any person a pupil selects to represent and
7 advise the pupil at all proceedings conducted pursuant to the provisions of
8 this act; and

9 (h) "principal witness" means any witness whose testimony is of
10 major importance in support of the charges upon which a proposed
11 suspension or expulsion from school is based, or in determination of
12 material questions of fact.

13 Sec. 91. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as
14 follows: 72-9509. (a) There is hereby established in every school district a
15 fund which shall be called the bilingual education fund, which fund shall
16 consist of all moneys deposited therein or transferred thereto according to
17 law. ~~Amounts deposited in the bilingual education fund may be used for~~
18 ~~the payment of expenses directly attributable to bilingual education or may~~
19 ~~be transferred to the general fund of the school district as approved by the~~
20 ~~board of education~~ *The expenses of a school district directly attributable*
21 *to such bilingual education programs shall be paid from the bilingual*
22 *education fund.*

23 (b) Any balance remaining in the bilingual education fund at the end
24 of the budget year shall be carried forward into the bilingual education
25 fund for succeeding budget years. Such fund shall not be subject to the
26 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
27 In preparing the budget of such school district, the amounts credited to and
28 the amount on hand in the bilingual education fund, and the amount
29 expended therefrom shall be included in the annual budget for the
30 information of the residents of the school district. ~~Interest earned on the~~
31 ~~investment of moneys in any such fund shall be credited to that fund.~~

32 *Any unencumbered balance of moneys remaining in the bilingual*
33 *education fund of a school district on June 30 of the current school year*
34 *may be expended in the school year that immediately succeeds such date*
35 *by the school district for general operating expenses of the school district*
36 *as approved by the board of education.*

37 (c) Each year the board of education of each school district shall
38 prepare and submit to the state board a report on the bilingual education
39 program and assistance provided by the district. Such report shall include
40 information specifying the number of pupils who were served or provided
41 assistance, the type of service provided, the research upon which the
42 district relied in determining that a need for service or assistance existed,
43 the results of providing such service or assistance and any other

1 information required by the state board.

2 Sec. 92. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as
3 follows: 72-9609. There is hereby established in every school district a
4 fund which shall be called the professional development fund, which fund
5 shall consist of all moneys deposited therein or transferred thereto
6 according to law. All moneys received by the school district from whatever
7 source for professional development programs established under this act
8 shall be credited to the fund established by this section. ~~Amounts deposited~~
9 ~~in the professional development fund may be used for the payment of~~
10 ~~expenses directly attributable to professional development or may be~~
11 ~~transferred to the general fund of the school district as approved by the~~
12 ~~board of education~~ *The expenses of a school district directly attributable*
13 *to professional development programs shall be paid from the professional*
14 *development fund.*

15 *Any unencumbered balance of moneys remaining in the professional*
16 *development fund of a school district on June 30 of the current school year*
17 *may be expended in the school year that immediately succeeds such date*
18 *by the school district for general operating expenses of the school district*
19 *as approved by the board of education.*

20 Sec. 93. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as
21 follows: 72-99a02. As used in the tax credit for low income students
22 scholarship program act:

23 (a) "Contributions" means monetary gifts or donations and in-kind
24 contributions, gifts or donations that have an established market value.

25 (b) "Department" means the Kansas department of revenue.

26 (c) "Educational scholarship" means an amount not to exceed \$8,000
27 per school year provided to an eligible student, or to a qualified school
28 with respect to an eligible student, to cover all or a portion of the costs of
29 education including tuition, fees and expenses of a qualified school and, if
30 applicable, the costs of transportation to a qualified school if provided by
31 such qualified school.

32 (d) "Eligible student" means a child who:

33 (1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,
34 prior to its repeal, and who is attending a public school; or (B) has been
35 eligible to receive an educational scholarship under this program and has
36 not graduated from high school or reached 21 years of age;

37 (2) resides in Kansas while eligible for an educational scholarship;
38 and

39 (3) (A) was enrolled in any public school in the previous school year
40 in which an educational scholarship is first sought for the child; or (B) is
41 eligible to be enrolled in any public school in the school year in which an
42 educational scholarship is first sought for the child and the child is under
43 the age of six years.

1 (e) "Parent" includes a guardian, custodian or other person with
2 authority to act on behalf of the child.

3 (f) "Program" means the tax credit for low income students
4 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
5 72-99a07, and amendments thereto.

6 (g) "Public school" means a school that would qualify as either a title
7 I focus school or a title I priority school as described by the state board
8 under the elementary and secondary education act flexibility waiver as
9 amended in January 2013 and is operated by a school district.

10 (h) "Qualified school" means any nonpublic school that provides
11 education to elementary or secondary students, has notified the state board
12 of its intention to participate in the program and complies with the
13 requirements of the program.

14 (i) "Scholarship granting organization" means an organization that
15 complies with the requirements of this program and provides educational
16 scholarships to eligible students or to qualified schools in which parents
17 have enrolled eligible students.

18 (j) "School district" or "district" means any unified school district
19 organized and operating under the laws of this state.

20 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~
21 ~~2016 Supp. 72-6464 section 4~~, and amendments thereto.

22 (l) "Secretary" means the secretary of revenue.

23 (m) "State board" means the state board of education.

24 Sec. 94. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as
25 follows: 74-4939a. On and after the effective date of this act for each fiscal
26 year commencing with fiscal year 2005, notwithstanding the provisions of
27 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys
28 appropriated for the department of education from the state general fund
29 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,
30 by appropriation act of the legislature, in the KPERS — employer
31 contributions account and all moneys appropriated for the department of
32 education from the state general fund or any special revenue fund for each
33 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year
34 thereafter, by any such appropriation act in that account or any other
35 account for payment of employer contributions for school districts, shall
36 be distributed by the department of education to school districts in
37 accordance with this section. Notwithstanding the provisions of K.S.A. 74-
38 4939, and amendments thereto, ~~for school year 2015-2016~~, the department
39 of education shall disburse to each school district that is an eligible
40 employer as specified in K.S.A. 74-4931(1), and amendments thereto, an
41 amount ~~in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~
42 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~
43 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~

1 of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,
2 the department of education shall disburse to each school district that is an
3 eligible employer as specified in K.S.A. 74-4931(1), and amendments
4 thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),
5 and amendments thereto, which shall be disbursed pursuant to K.S.A.
6 2016 Supp. 72-6465, and amendments thereto *certified by the board of*
7 *trustees of the Kansas public employees retirement system that is equal to*
8 *the participating employer's obligation of such school district to the*
9 *system in accordance with policies and procedures that are hereby*
10 *authorized and directed to be adopted by the state board of education for*
11 *the purposes of this section and in accordance with any requirements*
12 *prescribed by the board of trustees of the Kansas public employees*
13 *retirement system.* Upon receipt of each such disbursement of moneys, the
14 school district shall deposit the entire amount thereof into a special
15 retirement contributions fund of the school district, which shall be
16 established by the school district in accordance with such policies and
17 procedures and which shall be used for the sole purpose of receiving such
18 disbursements from the department of education and making the
19 remittances to the system in accordance with this section and such policies
20 and procedures. Upon receipt of each such disbursement of moneys from
21 the department of education, the school district shall remit, in accordance
22 with the provisions of such policies and procedures and in the manner and
23 on the date or dates prescribed by the board of trustees of the Kansas
24 public employees retirement system, an equal amount to the Kansas public
25 employees retirement system from the special retirement contributions
26 fund of the school district to satisfy such school district's obligation as a
27 participating employer. Notwithstanding the provisions of K.S.A. 74-4939,
28 and amendments thereto, each school district that is an eligible employer
29 as specified in K.S.A. 74-4931(1), and amendments thereto, shall show
30 within the budget of such school district all amounts received from
31 disbursements into the special retirement contributions fund of such school
32 district. Notwithstanding the provisions of any other statute, no official
33 action of the school board of such school district shall be required to
34 approve a remittance to the system in accordance with this section and
35 such policies and procedures. All remittances of moneys to the system by a
36 school district in accordance with this subsection and such policies and
37 procedures shall be deemed to be expenditures of the school district.

38 Sec. 95. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as
39 follows: 74-8925. (a) For the purposes of this act, the term "taxing
40 subdivision" shall include the county, the city, the unified school district
41 and any other taxing subdivision levying real property taxes, the territory
42 or jurisdiction of which includes any currently existing or subsequently
43 created redevelopment district. The term "real property taxes" includes all

1 taxes levied on an ad valorem basis upon land and improvements thereon,
2 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~
3 ~~2016 Supp. 72-6470~~ *section 14*, and amendments thereto, or any other
4 property tax levied by or on behalf of a school district.

5 (b) All tangible taxable property located within a redevelopment
6 district shall be assessed and taxed for ad valorem tax purposes pursuant to
7 law in the same manner that such property would be assessed and taxed if
8 located outside such district, and all ad valorem taxes levied on such
9 property shall be paid to and collected by the county treasurer in the same
10 manner as other taxes are paid and collected. Except as otherwise provided
11 in this section, the county treasurer shall distribute such taxes as may be
12 collected in the same manner as if such property were located outside a
13 redevelopment district. Each redevelopment district established under the
14 provisions of this act shall constitute a separate taxing unit for the purpose
15 of the computation and levy of taxes.

16 (c) Beginning with the first payment of taxes which are levied
17 following the date of approval of any redevelopment district established
18 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes
19 received by the county treasurer resulting from taxes which are levied
20 subject to the provisions of this act by and for the benefit of a taxing
21 subdivision, as herein defined, on property located within such
22 redevelopment district constituting a separate taxing unit under the
23 provisions of this section, shall be divided as follows:

24 (1) From the taxes levied each year subject to the provisions of this
25 act by or for each of the taxing subdivisions upon property located within a
26 redevelopment district constituting a separate taxing unit under the
27 provisions of this act, the county treasurer first shall allocate and pay to
28 each such taxing subdivision all of the real property taxes collected which
29 are produced from that portion of the current assessed valuation of such
30 real property located within such separate taxing unit which is equal to the
31 total assessed value of such real property on the date of the establishment
32 of the redevelopment district.

33 (2) Any real property taxes produced from that portion of the current
34 assessed valuation of real property within the redevelopment district
35 constituting a separate taxing unit under the provisions of this section in
36 excess of an amount equal to the total assessed value of such real property
37 on the effective date of the establishment of the district shall be allocated
38 and paid by the county treasurer according to specified percentages of the
39 tax increment expressly agreed upon and consented to by the governing
40 bodies of the county and school district in which the redevelopment
41 district is located. The amount of the real property taxes allocated and
42 payable to the authority under the agreement shall be paid by the county
43 treasurer to the treasurer of the state. The remaining amount of the real

1 property taxes not payable to the authority shall be allocated and paid in
2 the same manner as other ad valorem taxes. Any real property taxes paid to
3 the state treasurer under this section shall be deposited in the
4 redevelopment bond finance fund of the authority which is created
5 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of
6 any approved redevelopment project, including the payment of principal of
7 and interest on any bonds issued by the authority to finance, in whole or in
8 part, such project. When such bonds and interest thereon have been paid,
9 all moneys thereafter received from real property taxes within such
10 redevelopment district shall be allocated and paid to the respective taxing
11 subdivisions in the same manner as are other ad valorem taxes. If such
12 bonds and interest thereon have been paid before the completion of a
13 project, the authority may continue to use such moneys for any purpose
14 authorized by the redevelopment agreement until such time as the project
15 costs are paid or reimbursed, but for a period not to exceed the final
16 scheduled maturity of the bonds.

17 (d) In any redevelopment plan or in the proceedings for the issuing of
18 any bonds by the authority to finance a project, the property tax increment
19 portion of taxes provided for in subsection (c)(2) may be irrevocably
20 pledged for the payment of the principal of and interest on such bonds. The
21 authority may adopt a redevelopment plan in which only a specified
22 percentage of the tax increment realized from taxpayers in the
23 redevelopment district is pledged to the payment of costs.

24 Sec. 96. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as
25 follows: 74-99b43. (a) The Kansas development finance authority is
26 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-
27 8901 et seq., and amendments thereto, in one or more series to finance the
28 undertaking of any bioscience development project in accordance with the
29 provisions of this act. No special obligation bonds may be issued pursuant
30 to this section unless the Kansas development finance authority has
31 received a resolution of the board of the authority requesting the issuance
32 of such bonds. Such special obligation bonds shall be made payable, both
33 as to principal and interest from one or more of the following, as directed
34 by the authority:

35 (1) From ad valorem tax increments allocated to, and paid into the
36 bioscience development bond fund for the payment of the project costs of
37 a bioscience development project under the provisions of this section;

38 (2) from any private sources, contributions or other financial
39 assistance from the state or federal government;

40 (3) from a pledge of a portion or all of the revenue received from
41 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et
42 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments
43 thereto, and which are collected from taxpayers doing business within that

1 portion of the bioscience development district and paid into the bioscience
2 development bond fund;

3 (4) from a pledge of a portion or all increased revenue received by
4 any city from franchise fees collected from utilities and other businesses
5 using public right-of-way within the bioscience development district; or

6 (5) by any combination of these methods.

7 (b) All tangible taxable property located within a bioscience
8 development district shall be assessed and taxed for ad valorem tax
9 purposes pursuant to law in the same manner that such property would be
10 assessed and taxed if located outside such district, and all ad valorem taxes
11 levied on such property shall be paid to and collected by the county
12 treasurer in the same manner as other taxes are paid and collected. Except
13 as otherwise provided in this section, the county treasurer shall distribute
14 such taxes as may be collected in the same manner as if such property
15 were located outside a bioscience development district. Each bioscience
16 development district established under the provisions of this act shall
17 constitute a separate taxing unit for the purpose of the computation and
18 levy of taxes.

19 (c) Beginning with the first payment of taxes which are levied
20 following the date of the establishment of the bioscience development
21 district real property taxes received by the county treasurer resulting from
22 taxes which are levied subject to the provisions of this act by and for the
23 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,
24 and amendments thereto, on property located within such bioscience
25 development district constituting a separate taxing unit under the
26 provisions of this section, shall be divided as follows:

27 (1) From the taxes levied each year subject to the provisions of this
28 act by or for each of the taxing subdivisions upon property located within a
29 bioscience development district constituting a separate taxing unit under
30 the provisions of this act, the county treasurer first shall allocate and pay to
31 each such taxing subdivision all of the real property taxes collected which
32 are produced from the base year assessed valuation.

33 (2) Any real property taxes, except for property taxes levied for
34 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and
35 amendments thereto, produced from that portion of the current assessed
36 valuation of real property within the bioscience development district
37 constituting a separate taxing unit under the provisions of this section in
38 excess of the base year assessed valuation shall be allocated and paid by
39 the county treasurer to the bioscience development bond fund to pay the
40 bioscience development project costs including the payment of principal
41 and interest on any special obligation bonds to finance, in whole or in part,
42 such bioscience development projects.

43 (d) The authority may pledge the bioscience development bond fund

1 or other available revenue to the repayment of such special obligation
 2 bonds prior to, simultaneously with, or subsequent to the issuance of such
 3 special obligation bonds.

4 (e) Any bonds issued under the provisions of this act and the interest
 5 paid thereon, unless specifically declared to be taxable in the authorizing
 6 resolution of the Kansas development finance authority, shall be exempt
 7 from all state, county and municipal taxes, and the exemption shall include
 8 income, estate and property taxes.

9 Sec. 97. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as
 10 follows: 75-2319. (a) There is hereby established in the state treasury the
 11 school district capital improvements fund. The fund shall consist of all
 12 amounts transferred thereto under the provisions of subsection (c).

13 (b) *Subject to the provisions of subsection (e)*, in each school year,
 14 each school district which is obligated to make payments from its capital
 15 improvements fund shall be entitled to receive payment from the school
 16 district capital improvements fund in an amount determined by the state
 17 board of education as provided in this subsection.

18 ~~(1) For general obligation bonds approved for issuance at an election~~
 19 ~~held prior to July 1, 2015, the state board of education shall as follows:~~

20 (1) (A) Determine the amount of the assessed valuation per pupil
 21 ~~(AVPP)~~ student of each school district in the state and round such amount
 22 to the nearest \$1,000. The rounded amount is the AVPP assessed valuation
 23 per student of a school district for the purposes of this subsection ~~(b)(1)~~;

24 (B) determine the median AVPP assessed valuation per student of all
 25 school districts;

26 (C) prepare a schedule of dollar amounts using the amount of the
 27 median AVPP assessed valuation per student of all school districts as the
 28 point of beginning. The schedule of dollar amounts shall range upward in
 29 equal \$1,000 intervals from the point of beginning to and including an
 30 amount that is equal to the amount of the AVPP assessed valuation per
 31 student of the school district with the highest AVPP assessed valuation per
 32 student of all school districts and shall range downward in equal \$1,000
 33 intervals from the point of beginning to and including an amount that is
 34 equal to the amount of the AVPP assessed valuation per student of the
 35 school district with the lowest AVPP assessed valuation per student of all
 36 school districts;

37 (D) determine a state aid percentage factor for each school district by
 38 assigning a state aid computation percentage to the amount of the median
 39 AVPP assessed valuation per student shown on the schedule, decreasing
 40 the state aid computation percentage assigned to the amount of the median
 41 AVPP assessed valuation per student by one percentage point for each
 42 \$1,000 interval above the amount of the median AVPP assessed valuation
 43 per student, and increasing the state aid computation percentage assigned

1 to the amount of the median AVPP assessed valuation per student by one
2 percentage point for each \$1,000 interval below the amount of the median
3 AVPP assessed valuation per student. Except as provided by K.S.A. 2016
4 Supp. 75-2319c, and amendments thereto, the state aid percentage factor
5 of a school district is the percentage assigned to the schedule amount that
6 is equal to the amount of the AVPP assessed valuation per student of the
7 school district. The state aid percentage factor of a school district shall not
8 exceed 100%. The state aid computation percentage is 25%;

9 (E) determine the amount of payments that a school district is
10 obligated to make from its bond and interest fund—attributable to general
11 obligation bonds approved for issuance at an election held prior to July 1,
12 2015; and

13 (F) multiply the amount determined under subsection (b)(1)(E) by the
14 applicable state aid percentage factor.

15 ~~(2) For general obligation bonds approved for issuance at an election~~
16 ~~held on or after July 1, 2015, the state board of education shall:~~

17 ~~(A) Determine the amount of the AVPP of each school district in the~~
18 ~~state and round such amount to the nearest \$1,000. The rounded amount is~~
19 ~~the AVPP of a school district for the purposes of this subsection (b)(2);~~

20 ~~(B) prepare a schedule of dollar amounts using the amount of the~~
21 ~~AVPP of the school district with the lowest AVPP of all school districts as~~
22 ~~the point of beginning. The schedule of dollar amounts shall range upward~~
23 ~~in equal \$1,000 intervals from the point of beginning to and including an~~
24 ~~amount that is equal to the amount of the AVPP of the school district with~~
25 ~~the highest AVPP of all school districts;~~

26 ~~(C) determine a state aid percentage factor for each school district by~~
27 ~~assigning a state aid computation percentage to the amount of the lowest~~
28 ~~AVPP shown on the schedule and decreasing the state aid computation~~
29 ~~percentage assigned to the amount of the lowest AVPP by one percentage~~
30 ~~point for each \$1,000 interval above the amount of the lowest AVPP.~~
31 ~~Except as provided by K.S.A. 2016 Supp. 75-2319c, and amendments~~
32 ~~thereto, the state aid percentage factor of a school district is the percentage~~
33 ~~assigned to the schedule amount that is equal to the amount of the AVPP of~~
34 ~~the school district. The state aid computation percentage is 75%;~~

35 ~~(D) determine the amount of payments that a school district is~~
36 ~~obligated to make from its bond and interest fund attributable to general~~
37 ~~obligation bonds approved for issuance at an election held on or after July~~
38 ~~1, 2015; and~~

39 ~~(E) multiply the amount determined under subsection (b)(2)(D) by~~
40 ~~the applicable state aid percentage factor.~~

41 ~~(3) For general obligation bonds approved for issuance at an election~~
42 ~~held on or before June 30, 2016, the sum of the amount determined under~~
43 ~~subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)~~

1 *Subject to the provisions of subsections (b)(2) and (b)(3), the product is the*
 2 *amount of payment the school district is entitled to shall receive from the*
 3 *school district capital improvements fund in the school year.*

4 ~~(4) (2) (A) For general obligation bonds approved for issuance at an~~
 5 ~~election held on or after July 1, 2016, the amount determined under~~
 6 ~~subsection (b)(2)(E) is the amount of payment the school district shall~~
 7 ~~receive from the school district capital improvements fund in the school~~
 8 ~~year, except the total amount of payments school districts receive from the~~
 9 ~~school district capital improvements fund in the school year for such bonds~~
 10 ~~shall not exceed the six-year average amount of capital improvement state~~
 11 ~~aid as determined by the state board of education.(A)—The state board of~~
 12 ~~education shall determine the six-year average amount of capital~~
 13 ~~improvement state aid by calculating the average of the total amount of~~
 14 ~~moneys expended per year from the school district capital improvements~~
 15 ~~fund in the immediately preceding six fiscal years, not to include the~~
 16 ~~current fiscal year.~~

17 (B) (i) ~~Subject to clause (ii)~~ *In the event the total amount of payments*
 18 *from the school district capital improvements fund for general obligation*
 19 *bonds approved for issuance at an election held on or after July 1, 2016,*
 20 *as determined under subsection (b)(1) exceeds the six-year average, the*
 21 *state board of education shall prioritize the allocations disbursements to*
 22 *school districts from the school district capital improvements fund, subject*
 23 *to clause (ii), in accordance with the priorities set forth as follows in order*
 24 *of highest priority to lowest priority:*

25 (a) *Safety of the current facility and disability access to such facility*
 26 *as demonstrated by a state fire marshal report, an inspection under the*
 27 *Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar*
 28 *evaluation;*

29 (b) *enrollment growth and imminent overcrowding as demonstrated*
 30 *by successive increases in the enrollment of the school district in the*
 31 *immediately preceding three school years;*

32 (c) *impact on the delivery of educational services as demonstrated by*
 33 *restrictive inflexible design or limitations on installation of technology;*
 34 *and*

35 (d) *energy usage and other operational inefficiencies as demonstrated*
 36 *by a district-wide energy usage analysis, district-wide architectural*
 37 *analysis or other similar evaluation.*

38 (ii) *In allocating capital improvement state aid, the state board shall*
 39 *give higher priority to those school districts with a lower AVPP assessed*
 40 *valuation per student compared to the other school districts that are to*
 41 *receive capital improvement state aid under this section.*

42 ~~(C) On and after July 1, 2016, The state board of education shall~~
 43 ~~approve the amount of state aid payments a school district shall receive~~

1 from the school district capital improvements fund pursuant to subsection
2 (b)(5) prior to an election to approve the issuance of general obligation
3 bonds.

4 (5) ~~The sum of the amounts determined under subsection (b)(3) and~~
5 ~~the amount determined or allocated to the district by the state board of~~
6 ~~education pursuant to subsection (b)(4), is the amount of payment the~~
7 ~~school district is entitled to receive from the school district capital~~
8 ~~improvements fund in the school year.~~

9 (c) The state board of education shall certify to the director of
10 accounts and reports the ~~entitlements of school districts~~ *total amount of*
11 *capital improvement state aid school districts are to receive* as determined
12 under the provisions of subsection (b), and an amount equal thereto shall
13 be transferred by the director from the state general fund to the school
14 district capital improvements fund for distribution to school districts. All
15 transfers made in accordance with the provisions of this subsection shall
16 be considered to be demand transfers from the state general fund, except
17 that all such transfers during the fiscal years ending June 30, 2013, June
18 30, 2014, June 30, 2015, and June 30, 2016, shall be considered to be
19 revenue transfers from the state general fund.

20 (d) Payments from the school district capital improvements fund shall
21 be distributed to school districts at times determined by the state board of
22 education to be necessary to assist school districts in making scheduled
23 payments pursuant to contractual bond obligations. The state board of
24 education shall certify to the director of accounts and reports the amount
25 due each school district entitled to payment from the fund, and the director
26 of accounts and reports shall draw a warrant on the state treasurer payable
27 to the treasurer of the school district. Upon receipt of the warrant, the
28 treasurer of the school district shall credit the amount thereof to the bond
29 and interest fund of the school district to be used for the purposes of such
30 fund.

31 (e) The provisions of this section apply only to contractual
32 obligations incurred by school districts pursuant to general obligation
33 bonds issued upon approval of a majority of the qualified electors of the
34 school district voting at an election upon the question of the issuance of
35 such bonds.

36 (f) On or before the first day of the legislative session in 2017, and
37 each year thereafter, the state board of education shall prepare and submit
38 a report to the legislature that includes information on school district
39 elections held on or after July 1, 2016, to approve the issuance of general
40 obligation bonds and the amount of payments school districts were
41 approved to receive from the school district capital improvements fund
42 pursuant to subsection (b)(4)(C).

43 Sec. 98. K.S.A. 2016 Supp. 79-201x is hereby amended to read as

1 follows: 79-201x. For taxable years ~~2015 and 2016~~ *2017 and 2018*, the
2 following described property, to the extent herein specified, shall be and is
3 hereby exempt from the property tax levied pursuant to the provisions of
4 ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto: Property
5 used for residential purposes to the extent of \$20,000 of its appraised
6 valuation.

7 Sec. 99. K.S.A. 2016 Supp. 79-213 is hereby amended to read as
8 follows: 79-213. (a) Any property owner requesting an exemption from the
9 payment of ad valorem property taxes assessed, or to be assessed, against
10 their property shall be required to file an initial request for exemption, on
11 forms approved by the state board of tax appeals and provided by the
12 county appraiser.

13 (b) The initial exemption request shall identify the property for which
14 the exemption is requested and state, in detail, the legal and factual basis
15 for the exemption claimed.

16 (c) The request for exemption shall be filed with the county appraiser
17 of the county where such property is principally located.

18 (d) After a review of the exemption request, and after a preliminary
19 examination of the facts as alleged, the county appraiser shall recommend
20 that the exemption request either be granted or denied, and, if necessary,
21 that a hearing be held. If a denial is recommended, a statement of the
22 controlling facts and law relied upon shall be included on the form.

23 (e) The county appraiser, after making such written recommendation,
24 shall file the request for exemption and the recommendations of the county
25 appraiser with the state board of tax appeals. With regard to a request for
26 exemption from property tax pursuant to the provisions of K.S.A. 79-201g
27 and 82a-409, and amendments thereto, not filed with the board of tax
28 appeals by the county appraiser on or before the effective date of this act,
29 if the county appraiser recommends the exemption request be granted, the
30 exemption shall be provided in the amount recommended by the county
31 appraiser and the county appraiser shall not file the request for exemption
32 and recommendations of the county appraiser with the state board of tax
33 appeals. The county clerk or county assessor shall annually make such
34 adjustment in the taxes levied against the real property as the owner may
35 be entitled to receive under the provisions of K.S.A. 79-201g, and
36 amendments thereto, as recommended by the county appraiser, beginning
37 with the first period, following the date of issue of the certificate of
38 completion on which taxes are regularly levied, and during the years
39 which the landowner is entitled to such adjustment.

40 (f) Upon receipt of the request for exemption, the board shall docket
41 the same and notify the applicant and the county appraiser of such fact.

42 (g) After examination of the request for exemption and the county
43 appraiser's recommendation related thereto, the board may fix a time and

1 place for hearing, and shall notify the applicant and the county appraiser of
2 the time and place so fixed. A request for exemption pursuant to: (1)
3 Section 13 of article 11 of the constitution of the state of Kansas; or (2)
4 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed
5 or purchased, in whole or in part, with the proceeds of revenue bonds
6 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and
7 amendments thereto, prepared in accordance with instructions and
8 assistance which shall be provided by the department of commerce, shall
9 be deemed approved unless scheduled for hearing within 30 days after the
10 date of receipt of all required information and data relating to the request
11 for exemption, and such hearing shall be conducted within 90 days after
12 such date. Such time periods shall be determined without regard to any
13 extension or continuance allowed to either party to such request. In any
14 case where a party to such request for exemption requests a hearing
15 thereon, the same shall be granted. Hearings shall be conducted in
16 accordance with the provisions of the Kansas administrative procedure act.
17 In all instances where the board sets a request for exemption for hearing,
18 the county shall be represented by its county attorney or county counselor.

19 (h) Except as otherwise provided by subsection (g), in the event of a
20 hearing, the same shall be originally set not later than 90 days after the
21 filing of the request for exemption with the board.

22 (i) During the pendency of a request for exemption, no person, firm,
23 unincorporated association, company or corporation charged with real
24 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
25 2004a, and amendments thereto, on the tax books in the hands of the
26 county treasurer shall be required to pay the tax from the date the request
27 is filed with the county appraiser until the expiration of 30 days after the
28 board issued its order thereon and the same becomes a final order. In the
29 event that taxes have been assessed against the subject property, no interest
30 shall accrue on any unpaid tax for the year or years in question nor shall
31 the unpaid tax be considered delinquent from the date the request is filed
32 with the county appraiser until the expiration of 30 days after the board
33 issued its order thereon. In the event the board determines an application
34 for exemption is without merit and filed in bad faith to delay the due date
35 of the tax, the tax shall be considered delinquent as of the date the tax
36 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and
37 amendments thereto, and interest shall accrue as prescribed therein.

38 (j) In the event the board grants the initial request for exemption, the
39 same shall be effective beginning with the date of first exempt use except
40 that, with respect to property the construction of which commenced not to
41 exceed 24 months prior to the date of first exempt use, the same shall be
42 effective beginning with the date of commencement of construction.

43 (k) In conjunction with its authority to grant exemptions, the board

1 shall have the authority to abate all unpaid taxes that have accrued from
2 and since the effective date of the exemption. In the event that taxes have
3 been paid during the period where the subject property has been
4 determined to be exempt, the board shall have the authority to order a
5 refund of taxes for the year immediately preceding the year in which the
6 exemption application is filed in accordance with subsection (a).

7 (l) The provisions of this section shall not apply to: (1) Farm
8 machinery and equipment exempted from ad valorem taxation by K.S.A.
9 79-201j, and amendments thereto; (2) personal property exempted from ad
10 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
11 apparel, household goods and personal effects exempted from ad valorem
12 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
13 property exempted from ad valorem taxation by K.S.A. 79-201d, and
14 amendments thereto; (6) merchants' and manufacturers' inventories
15 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
16 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
17 and amendments thereto; (8) property exempted from ad valorem taxation
18 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all
19 property previously acquired by the secretary of transportation or a
20 predecessor in interest, which is used in the administration, construction,
21 maintenance or operation of the state system of highways. The secretary of
22 transportation shall at the time of acquisition of property notify the county
23 appraiser in the county in which the property is located that the acquisition
24 occurred and provide a legal description of the property acquired; (9)
25 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,
26 and amendments thereto, including all property previously acquired by the
27 Kansas turnpike authority which is used in the administration,
28 construction, maintenance or operation of the Kansas turnpike. The Kansas
29 turnpike authority shall at the time of acquisition of property notify the
30 county appraiser in the county in which the property is located that the
31 acquisition occurred and provide a legal description of the property
32 acquired; (10) aquaculture machinery and equipment exempted from ad
33 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
34 this section, "aquaculture" has the same meaning ascribed thereto by
35 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
36 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
37 amendments thereto; (12) property used exclusively by the state or any
38 municipality or political subdivision of the state for right-of-way purposes.
39 The state agency or the governing body of the municipality or political
40 subdivision shall at the time of acquisition of property for right-of-way
41 purposes notify the county appraiser in the county in which the property is
42 located that the acquisition occurred and provide a legal description of the
43 property acquired; (13) machinery, equipment, materials and supplies

1 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments
2 thereto; (14) vehicles owned by the state or by any political or taxing
3 subdivision thereof and used exclusively for governmental purposes; (15)
4 property used for residential purposes which is exempted pursuant to
5 K.S.A. 79-201x, and amendments thereto, from the property tax levied
6 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments
7 thereto; (16) from and after July 1, 1998, vehicles which are owned by an
8 organization having as one of its purposes the assistance by the provision
9 of transit services to the elderly and to disabled persons and which are
10 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)
11 from and after July 1, 1998, motor vehicles exempted from taxation by
12 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and
13 industrial machinery and equipment exempted from property or ad
14 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;
15 (19) telecommunications machinery and equipment and railroad
16 machinery and equipment exempted from property or ad valorem taxation
17 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property
18 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-
19 234, and amendments thereto.

20 (m) The provisions of this section shall apply to property exempt
21 pursuant to the provisions of section 13 of article 11 of the constitution of
22 the state of Kansas.

23 (n) The provisions of subsection (k) as amended by this act shall be
24 applicable to all exemption applications filed in accordance with
25 subsection (a) after December 31, 2001.

26 Sec. 100. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as
27 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll
28 of the county, the treasurer shall enter in a column opposite the description
29 of each tract or parcel of land the amount of unpaid taxes and the date of
30 unredeemed sales, if any, for previous years on such land. The treasurer
31 shall cause a notice to be published in the official county paper once each
32 week for three consecutive weeks, stating in the notice the amount of taxes
33 charged for state, county, township, school, city or other purposes for that
34 year, on each \$1,000 of valuation.

35 (b) Each year after receipt of the tax roll from the county clerk and
36 before December 15, the treasurer shall mail to each taxpayer, as shown by
37 the rolls, a tax statement which indicates the taxing unit, assessed value of
38 real and personal property, the mill levy and tax due. In addition, with
39 respect to land devoted to agricultural use, such statement shall indicate
40 the acreage and description of each parcel of such land. The tax statement
41 shall also indicate separately each parcel of real property which is
42 separately classified for property tax purposes. The county appraiser shall
43 provide the information necessary for the county treasurer to comply with

1 the provisions of this section. The tax statement also may include the
2 intangible tax due the county. All items may be on one statement or may
3 be shown on separate statements and may be on a form prescribed by the
4 county treasurer. The statement shall be mailed to the last known address
5 of the taxpayer or to a designee authorized by the taxpayer to accept the
6 tax statement, if the designee has an interest in receiving the statement.
7 When any statement is returned to the county treasurer for failure to find
8 the addressee, the treasurer shall make a diligent effort to find a
9 forwarding address of the taxpayer and mail the statement to the new
10 address. All tax statements mailed pursuant to this section shall be mailed
11 by first-class mail. The requirement for mailing a tax statement shall
12 extend only to the initial statement required to be mailed in each year and
13 to any follow-up required by this section.

14 (c) For tax year 1998, and all tax years thereafter, after receipt of the
15 tax roll from the county clerk and before December 15, the treasurer shall
16 mail to each taxpayer, as shown by the tax rolls, a tax information form
17 which indicates the taxing unit, assessed value of real property for the
18 current and next preceding taxable year, the mill levy for the current and
19 next preceding taxable year and, in the case of unified school districts, the
20 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ section 14, and
21 amendments thereto, shall be separately indicated, the tax due and an
22 itemization of each taxing unit's mill levy for the current and next
23 preceding taxable year and the percentage change in the amount of
24 revenue produced therefrom, if any. In addition, with respect to land
25 devoted to agricultural use, such form shall indicate the acreage and
26 description of each parcel of such land. The tax information form shall
27 also indicate separately each parcel of real property which is separately
28 classified for property tax purposes. The county appraiser shall provide the
29 information necessary for the county treasurer to comply with the
30 provisions of this section. The tax information form may be separate from
31 the tax statement or a part of the tax statement. The tax information form
32 shall be in a format prescribed by the director of property valuation. The
33 tax information form shall be mailed to the last known address of the
34 taxpayer. When a tax information form is returned to the county treasurer
35 for failure to find the addressee, the treasurer shall make a diligent effort to
36 find a forwarding address of the taxpayer and mail the tax information
37 form to the new address. All tax information forms mailed pursuant to this
38 section shall be mailed by first class mail.

39 Sec. 101. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as
40 follows: 79-2925b. (a) Without a majority vote so providing, the governing
41 body of any municipality shall not approve any appropriation or budget, as
42 the case requires, which may be funded by revenue produced from
43 property taxes, and which provides for funding with such revenue in an

1 amount exceeding that of the next preceding year, adjusted to reflect
2 changes in the consumer price index for all urban consumers as published
3 by the United States department of labor for the preceding calendar year. If
4 the total tangible property valuation in any municipality increases from the
5 next preceding year due to increases in the assessed valuation of existing
6 tangible property and such increase exceeds changes in the consumer price
7 index, the governing body shall lower the amount of ad valorem tax to be
8 levied to the amount of ad valorem tax levied in the next preceding year,
9 adjusted to reflect changes in the consumer price index. This subsection
10 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-
11 6b04 and ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto,
12 and any other ad valorem tax levy which was previously approved by the
13 voters of such municipality. Notwithstanding the requirements of this
14 subsection, nothing herein shall prohibit a municipality from increasing
15 the amount of ad valorem tax to be levied if the municipality approves the
16 proposed increase with a majority vote of the governing body by the
17 adoption of a resolution and publishes its vote to approve the appropriation
18 or budget including the increase as provided in subsection (c).

19 (b) Revenue that, in the current year, is produced and attributable to
20 the taxation of:

- 21 (1) New improvements to real property;
- 22 (2) increased personal property valuation;
- 23 (3) property located within added jurisdictional territory; or
- 24 (4) property which has changed in use shall not be considered when
25 determining whether revenue produced from property has increased from
26 the next preceding year.

27 (c) In the event the governing body votes to approve any
28 appropriation or budget, as the case requires, which may be funded by
29 revenue produced from property taxes, and which provides for funding
30 with such revenue in an amount exceeding that of the next preceding year
31 as provided in subsection (a), notice of such vote shall be published in the
32 official county newspaper of the county where such municipality is
33 located.

34 (d) The provisions of this section shall be applicable to all fiscal and
35 budget years commencing on and after the effective date of this act.

36 (e) The provisions of this section shall not apply to revenue received
37 from property tax levied for the sole purpose of repayment of the principal
38 of and interest upon bonded indebtedness, temporary notes and no-fund
39 warrants.

40 (f) For purposes of this section:

- 41 (1) "Municipality" means any political subdivision of the state which
42 levies an ad valorem tax on property and includes, but is not limited to,
43 any township, municipal university, school district, community college,

1 drainage district or other taxing district;

2 (2) "municipality" shall not include:

3 (A) Any such political subdivision or taxing district which receives
4 \$1,000 or less in revenue from property taxes in the current year; or

5 (B) any city or county.

6 Sec. 102. If any fund or account name described by words and the
7 numerical accounting code that follows such fund or account name do not
8 match, it shall be conclusively presumed that the legislature intended that
9 the fund or account name described by words is the correct fund or
10 account name, and such fund or account name described by words shall
11 control over a contradictory or incorrect numerical accounting code.

12 Sec. 103. K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-
13 1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-
14 1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-3715, 72-5333b, 72-6482,
15 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-
16 67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8237,
17 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-
18 8801, 72-8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-8925,
19 74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b are hereby
20 repealed.

21 Sec. 104. This act shall take effect and be in force from and after its
22 publication in the statute book.