

HOUSE BILL No. 2344

By Committee on K-12 Education Budget

2-10

1 AN ACT concerning school districts; relating to school finance; requiring
2 the adoption of local foundation budgets and the levying of property
3 taxes for the finance thereof.
4

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

6 Section 1. (a) In each school year, the board of education of each
7 school district shall adopt a local foundation budget. The local foundation
8 budget of each school district shall be determined by the state board of
9 education as follows:

10 (1) Determine the adjusted enrollment of the school district, as that
11 term was defined in K.S.A. 72-6407, prior to its repeal;

12 (2) multiply the number determined under subsection (a)(1) by
13 \$5,000; and

14 (3) multiply the sum obtained under subsection (a)(2) by 0.20. The
15 resulting product is the local foundation budget of the school district.

16 Sec. 2. (a) The board of education of each school district shall levy an
17 ad valorem tax upon the taxable tangible property of the district in the
18 school years specified in subsection (b) for the purposes of:

19 (1) Financing the state-level foundation obligation. The state-level
20 foundation obligation shall be that portion of the school district's general
21 fund budget which 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 district established prior to July
26 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a
27 portion of the principal and interest on bonds issued by cities under
28 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
29 redevelopment projects upon property located within the district.

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

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

1 district, shall be deposited in the general fund of the school district.

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

4 Sec. 3. (a) As used in this section:

5 (1) "State prescribed percentage" means 5% of the foundation
6 funding.

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

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

15 (b) In each school year, the board of education of a school district
16 may adopt a local option budget that does not exceed the state prescribed
17 percentage, and that does not exceed:

18 (1) The amount the board was authorized to adopt pursuant to any
19 resolution currently in effect; or

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

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

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

34 Unified School District No._____,
35 _____ County, Kansas.

36 RESOLUTION

37 Be It Resolved that:

38 The board of education of the above-named school district shall be
39 authorized to adopt a local option budget in each school year in an amount
40 not to exceed ____% of the foundation funding. The local option budget
41 authorized by this resolution may be adopted, unless a petition in
42 opposition to the same, signed by not less than 5% of the qualified electors
43 of the school district, is filed with the county election officer of the home

1 county of the school district within 30 days after publication of this
2 resolution. If a petition is filed, the county election officer shall submit the
3 question of whether adoption of the local option budget shall be authorized
4 to the electors of the school district at an election called for the purpose or
5 at the next general election, as is specified by the board of education of the
6 school district.

7 CERTIFICATE

8 This is to certify that the above resolution was duly adopted by the
9 board of education of Unified School District No. _____,
10 County, Kansas, on the ____ day of _____, ____.

11 _____
12 Clerk of the board of education.

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

24 (d) Any resolution authorizing the adoption of a local option budget
25 in excess of 4% of the foundation funding shall not become effective
26 unless such resolution has been submitted to and approved by a majority
27 of the qualified electors of the school district voting at an election called
28 and held thereon. The election shall be called and held in the manner
29 provided by K.S.A. 10-120, and amendments thereto.

30 (e) Unless specifically stated otherwise in the resolution, the authority
31 to adopt a local option budget shall be continuous and permanent. The
32 board of education of a school district that is authorized to adopt a local
33 option budget may choose not to adopt such a budget or may adopt a
34 budget in an amount less than the amount authorized. If the board whose
35 authority to adopt a local option budget is not continuous and permanent
36 refrains from adopting a local option budget, the authority of such district
37 to adopt a local option budget shall not be extended by such refrainment
38 beyond the period specified in the resolution authorizing adoption of such
39 budget.

40 (f) The board of education of a school district may initiate procedures
41 to renew or increase the authority to adopt a local option budget at any
42 time during a school year after the tax levied pursuant to section 4, and
43 amendments thereto, is certified to the county clerk under any existing

1 authorization.

2 (g) Any resolution adopted pursuant to this section may revoke or
3 repeal any resolution previously adopted by the board. If the resolution
4 does not revoke or repeal previously adopted resolutions, all resolutions
5 that are in effect shall expire on the same date. The maximum amount of
6 the local option budget of a school district under all resolutions in effect
7 shall not exceed the state prescribed percentage in any school year.

8 (h) (1) There is hereby established in every district a supplemental
9 general fund, which shall consist of all amounts deposited therein or
10 credited thereto according to law.

11 (2) Subject to the limitation imposed under paragraph (3), amounts in
12 the supplemental general fund may be expended for any purpose for which
13 expenditures from the general fund are authorized or may be transferred to
14 any program weighted fund or categorical fund of the district. Amounts in
15 the supplemental general fund attributable to any percentage over 17% of
16 the foundation funding may be transferred to the capital improvements
17 fund of the district and the capital outlay fund of the district, if such
18 transfers are specified in the resolution authorizing the adoption of a local
19 option budget in excess of 4%.

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

24 (4) Any unexpended budget remaining in the supplemental general
25 fund of a school district at the conclusion of any school year in which a
26 local option budget is adopted shall be maintained in such fund.

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

30 Sec. 4. (a) In each school year, the board of education of each school
31 district shall levy an ad valorem tax on the taxable tangible property of the
32 district for the purposes of: (1) Financing that portion of the school
33 district's local option budget, if any, that is not financed from any other
34 source provided by law; (2) financing that portion of the school district's
35 local foundation budget that is not financed from any other source
36 provided by law; (3) paying a portion of the principal and interest on
37 bonds issued by cities under authority of K.S.A. 12-1774, and amendments
38 thereto, for the financing of redevelopment projects upon property located
39 within the district; and (4) funding transfers to the capital improvement
40 fund of the school district and the capital outlay fund of the school district,
41 if such transfers are specified in the resolution authorizing the adoption of
42 a local option budget in excess of 4% of the foundation funding.

43 (b) The proceeds from the tax levied by a district under authority of

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

6 (c) In the school years specified in section 2(b), and amendments
7 thereto, upon deposit of the proceeds from the tax levied pursuant to this
8 section in the supplemental general fund, an amount equal to the local
9 foundation budget, as established in section 1, and amendments thereto,
10 shall be transferred to the general fund of the school district. Such transfer
11 shall be deemed a reimbursement of general operating expenses.

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

14 Sec. 5. This act shall take effect and be in force from and after its
15 publication in the statute book.