

House Substitute for SENATE BILL NO. 16

AN ACT concerning education; relating to the instruction and financing thereof; making and concerning appropriations for the fiscal years ending June 30, 2020, and June 30, 2021, for the department of education; amending K.S.A. 72-1167, 72-4352, 72-4354, 72-5131, 72-5132, 72-5142, 72-5153, 72-5170, 72-5171, 72-5173, 72-5193, 72-5462 and 72-8193 and K.S.A. 2018 Supp. 79-201x and repealing the existing sections.

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

Section 1.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2020, the following:

State foundation aid (652-00-1000-0820).....\$92,659,017

Provided, That any unencumbered balance in the state foundation aid account in excess of \$100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

KPERS – employer

contributions – non-USDs (652-00-1000-0100).....\$1,597,147

Provided, That any unencumbered balance in the KPERS – employer contributions – non-USDs account in excess of \$100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: *Provided further*, That all expenditures from the KPERS – employer contributions – non-USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: *And provided further*, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

KPERS – employer

contributions – USDs (652-00-1000-0110).....\$10,261,604

Provided, That any unencumbered balance in the KPERS – employer contributions – USDs account in excess of \$100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: *Provided further*, That all expenditures from the KPERS – employer contributions – USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: *And provided further*, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

Sec. 2.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2021, the following:

State foundation aid (652-00-1000-0820).....\$89,659,017

Provided, That any unencumbered balance in the state foundation aid account in excess of \$100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021.

KPERS – employer

contributions – non-USDs (652-00-1000-0100).....\$3,306,581

Provided, That any unencumbered balance in the KPERS – employer contributions – non-USDs account in excess of \$100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021: *Provided further*, That all expenditures from the KPERS – employer contributions – non-USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: *And provided further*, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

KPERS – employer contributions – USDs (652-00-1000-0110).....\$21,247,425
Provided, That any unencumbered balance in the KPERS – employer contributions – USDs account in excess of \$100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021: *Provided further*; That all expenditures from the KPERS – employer contributions – USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: *And provided further*; That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

New Sec. 3. (a) On or before January 15 of each year, the state department of education shall prepare and submit a performance accountability report and a longitudinal achievement report for all students enrolled in public school in the state, each school district and each school operated by a school district to the governor and to the legislature.

(b) Each performance accountability report shall be prepared in a single-page format containing the information that is required to be reported under the federal elementary and secondary education act, as amended by the federal every student succeeds act, public law 114-95, or any successor federal acts, and the college and career readiness metrics developed and implemented by the state board. The report shall use the categories for achievement identified under the federal every student succeeds act, public law 114-95, or any successor achievement categories. All categories and metrics included in the report shall be clearly defined.

(c) Each longitudinal achievement report shall provide the achievement rates on the state assessments for English language arts, math and science for all students and each student subgroup and the change in achievement rate year-over-year starting with the school year in which the state board first implemented new achievement standards on such state assessments.

(d) All reports prepared pursuant to this section shall be published in accordance with section 5, and amendments thereto.

New Sec. 4. The state board of education shall provide the ACT college entrance exam and the three ACT workkeys assessments that are required to earn a national career readiness certificate to each student enrolled in grades 11 and 12, and the pre-ACT college entrance exam to each student enrolled in grade nine. No student shall be required to pay any fees or costs to take any such exam or assessments. The state board shall not be required to provide more than one exam and three assessments for each student. The state board of education may enter into any contracts that are necessary to promote statewide cost savings to administer such exams and assessments.

New Sec. 5. (a) All reports prepared pursuant to K.S.A. 72-1167, 72-5170 and 72-5171, and amendments thereto, and section 3, and amendments thereto, shall be published on the state department of education's website with a link to such reports prominently displayed on the website homepage titled, "Accountability Reports."

(b) Reports prepared pursuant to K.S.A. 72-1167 and 72-5171, and amendments thereto, for each school district and each school operated by such school district shall be published on such school district's website with a link to such reports prominently displayed on the website homepage titled, "Accountability Reports," and if a school operated by such school district has a separate website, then such reports shall be published for such school on such website with a link to such reports prominently displayed on the website homepage titled, "Accountability Reports."

(c) Each school district shall provide a link to the state department of

education's webpage where the reports prepared pursuant to K.S.A. 72-5170, and amendments thereto, and section 3, and amendments thereto, for such school district and each school operated by such school district are published. The link shall be prominently displayed on the school district's accountability reports webpage.

Sec. 6. K.S.A. 72-1167 is hereby amended to read as follows: 72-1167. (a) This section shall be known and may be cited as the Kansas uniform financial accounting and reporting act.

(b) As used in this section:

(1) "Budget summary" means a one-page summary of the official budget adopted by the board of education of the school district, and shall include, but is not limited to, graphs depicting the total expenditures in the budget by category, supplemental and general fund expenditures, instruction expenditures, enrollment figures, mill rates by fund and average salaries. For purposes of this section, a one-page budget at a glance format developed by the state board, and any successor format shall be deemed a budget summary, provided it complies with the requirements of this section.

(2) "Reporting system" means the uniform reporting system, including a uniform chart of accounts, developed by the state board as required by this section.

(3) "School district" means a unified school district organized and operated under the laws of this state.

(4) "State board" means the state board of education.

(c) The state board shall develop and maintain a uniform reporting system for the receipts and expenditures of school districts. The accounting records maintained by each school district shall be coordinated with the uniform reporting system. Each school district shall record the receipts and expenditures of the district in accordance with a uniform classification of accounts or chart of accounts and reports as shall be prescribed by the state board. Each school district shall submit such reports and statements as may be required by the state board. The state board shall design, revise and direct the use of accounting records and fiscal procedures and prescribe uniform classifications for receipts and expenditures for all school districts. The reporting system shall include all funds held by a school district regardless of the source of the moneys held in such funds, including, but not limited to, all funds funded by fees or other sources of revenue not derived from tax levies. The state board shall prescribe the necessary forms to be used by school districts in connection with such uniform reporting system.

(d) The reporting system developed by the state board shall be developed in such a manner that allows school districts to record and report any information required by state or federal law.

(e) The reporting system shall provide records showing by funds, accounts and other pertinent classifications, the amounts appropriated, the estimated revenues, actual revenues or receipts, the amounts available for expenditure, the total and itemized expenditures, the unencumbered cash balances, excluding state aid receivable, actual balances on hand and the unencumbered balances of allotments or appropriations for each school district.

(f) The reporting system shall allow a person to search the data and allow for the comparison of data by school district.

(g) Each school district shall annually submit a report to the state board on all construction activity undertaken by the school district which was financed by the issuance of bonds and which such bonds have not matured. Such report shall include all revenue receipts, all expenditures of bond proceeds authorized by law, the dates for commencement and completion of such construction activity, the estimated cost and the actual cost of such construction activity. The information provided in the report shall be in a form so as to readily identify such information with a specific

construction project. Such report shall be submitted in a form and manner prescribed by the state board in accordance with the provisions of this section.

(h) From and after July 1, 2012, the board of education of each school district shall record and report the receipts and expenditures of the district in the manner prescribed by the state board in accordance with this section.

(i) (1) Each school district shall annually publish on such district's internet website:

(A) A copy of form 150, estimated legal maximum general fund budget, or any successor document containing the same or similar information, that was submitted by such district to the state board of education for the immediately preceding school year; and

(B) the budget summary for the current school year and actual expenditures for the immediately preceding two school years showing total dollars net of transfers and dollars per pupil for each of the following:

- (i) Function 1000, instruction;
- (ii) function 2100, student support;
- (iii) function 2200, instructional staff support;
- (iv) functions 2300 through 2500, administration;
- (v) function 2600, operation and maintenance;
- (vi) function 2700, transportation;
- (vii) function 3100, food service;
- (viii) functions 2900, 3200 and 3300, other current spending;
- (ix) function 4000, capital outlay;
- (x) function 5100, debt service;
- (xi) the total expenditures which is the sum of the amounts in clauses (i) through (x);
- (xii) the spending allocated to function 1000, instruction, excluding capital outlay and debt service expenditures, as a percentage of total expenditures;
- (xiii) the spending allocated to function 1000, instruction, excluding capital outlay and debt service expenditures, as a percentage of current spending, which is the sum of expenditures for functions 1000 through 3300 less capital outlay and debt service expenditures included in any of those functions; and
- (xiv) the revenue in total dollars net of transfers both in total and disaggregated to show the amount of revenue received from local, state and federal revenue sources.

(2) For purposes of subsection (i)(1)(B), all per pupil amounts shall be calculated using the full-time equivalent enrollment of the school district. All function categories and other accounting categories shall refer to those same categories as established and required for financial accounting purposes by the state board as published in the Kansas state department of education's Kansas accounting handbook for unified school districts, as published in August 2012, or later versions as established in rules and regulations adopted by the state board.

~~(3) Publications required by this subsection shall be published with an easily identifiable link located on such district's website homepage.~~

~~(4)~~ Publications required by this subsection shall be made available to the public at every meeting held by the board of education of each school district when the board is discussing the district's budget or any other school finance matter.

~~(j)-(1)~~ The department of education shall annually publish on its internet website:

- ~~(A)(1)~~ All of the publications required under subsection (i); and
- ~~(B)(2)~~ the following expenditures for each school district on a per pupil basis:
 - ~~(1)(A)~~ Total expenditures;

~~(ii)(B)~~ capital outlay expenditures;
~~(iii)(C)~~ bond and interest expenditures; and
~~(iv)(D)~~ all other expenditures not included in ~~(ii) or (iii)~~
subparagraph (B) or (C).

~~(2) Publications required by this subsection shall be published with an easily identifiable link located on the department's website homepage.~~

(k) All reports prepared pursuant to this section shall be published in accordance with section 5, and amendments thereto.

Sec. 7. K.S.A. 72-4352 is hereby amended to read as follows: 72-4352. As used in the tax credit for low income students scholarship program act:

(a) "Contributions" means monetary gifts or donations and in-kind contributions, gifts or donations that have an established market value.

(b) "Department" means the Kansas department of revenue.

(c) "Educational scholarship" means an amount not to exceed \$8,000 per school year provided to an eligible student, or to a qualified school with respect to an eligible student, to cover all or a portion of the costs of education including tuition, fees and expenses of a qualified school and, if applicable, the costs of transportation to a qualified school if provided by such qualified school.

(d) "Eligible student" means a child who:

(1) (A) Is an at-risk student, as defined in K.S.A. 72-5132, and amendments thereto, and who is attending a public school; or (B) has been eligible to receive an educational scholarship under this program and has not graduated from high school or reached 21 years of age;

(2) resides in Kansas while eligible for an educational scholarship; and

(3) (A) was enrolled in any public school in the previous school year in which an educational scholarship is first sought for the child; or (B) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is under the age of six years.

(e) "Parent" includes a guardian, custodian or other person with authority to act on behalf of the child.

(f) "Program" means the tax credit for low income students scholarship program established in K.S.A. ~~72-99a01 through 72-99a07~~ *72-4351 through 72-4357*, and amendments thereto.

(g) "Public school" means ~~a~~ *an elementary* school that is operated by a school district, and identified by the state board as one of the lowest 100 performing *elementary* schools with respect to student achievement among all *elementary* schools operated by school districts for the current school year.

(h) "Qualified school" means any nonpublic school that provides education to elementary or secondary students, has notified the state board of its intention to participate in the program and complies with the requirements of the program. On and after July 1, 2020, a qualified school shall be accredited by the state board or a national or regional accrediting agency that is recognized by the state board for the purpose of satisfying the teaching performance assessment for professional licensure.

(i) "Scholarship granting organization" means an organization that complies with the requirements of this program and provides educational scholarships to eligible students or to qualified schools in which parents have enrolled eligible students.

(j) "School district" or "district" means any unified school district organized and operating under the laws of this state.

(k) "School year" shall have the meaning ascribed thereto in section 4, and amendments thereto.

(l) "Secretary" means the secretary of revenue.

(m) "State board" means the state board of education.

Sec. 8. K.S.A. 72-4354 is hereby amended to read as follows: 72-

4354. (a) To be eligible to participate in the program, a scholarship granting organization shall comply with the following:

(1) The scholarship granting organization shall notify the secretary and the state board of the scholarship granting organization's intent to provide educational scholarships;

(2) upon granting an educational scholarship, the scholarship granting organization shall report such information to the state board;

(3) the scholarship granting organization shall provide verification to the secretary that the scholarship granting organization is exempt from federal income taxation pursuant to section 501(c)(3) of the federal internal revenue code of 1986;

(4) upon receipt of contributions in an aggregate amount or value in excess of \$50,000 during a school year, a scholarship granting organization shall file with the state board either:

(A) A surety bond payable to the state in an amount equal to the aggregate amount of contributions expected to be received during the school year; or

(B) financial information demonstrating the scholarship granting organization's ability to pay an aggregate amount equal to the amount of the contributions expected to be received during the school year, which must be reviewed and approved of in writing by the state board;

(5) scholarship granting organizations that provide other nonprofit services in addition to providing educational scholarships shall not commingle contributions made under the program with other contributions made to such organization. A scholarship granting organization under this subsection shall also file with the state board, prior to the commencement of each school year, either:

(A) A surety bond payable to the state in an amount equal to the aggregate amount of contributions expected to be received during the school year; or

(B) financial information demonstrating the nonprofit organization's ability to pay an aggregate amount equal to the amount of the contributions expected to be received during the school year, which must be reviewed and approved of in writing by the state board;

(6) each qualified school receiving educational scholarships from the scholarship granting organization shall annually certify to the scholarship granting organization its compliance with the requirements of the program;

(7) at the end of the calendar year, the scholarship granting organization shall have its accounts examined and audited by a certified public accountant. Such audit shall include, but not be limited to, information verifying that the educational scholarships awarded by the scholarship granting organization were distributed to qualified schools with respect to eligible students determined by the state board under K.S.A. 72-4353(c), and amendments thereto, and information specified in this section. Prior to filing a copy of the audit with the state board, such audit shall be duly verified and certified by a certified public accountant; and

(8) if a scholarship granting organization decides to limit the number or type of qualified schools who will receive educational scholarships, the scholarship granting organization shall provide, in writing, the name or names of those qualified schools to any contributor and the state board.

(b) No scholarship granting organization shall provide an educational scholarship with respect to any eligible student to attend any qualified school with paid staff or paid board members, or relatives thereof, in common with the scholarship granting organization.

(c) The scholarship granting organization shall disburse not less than 90% of contributions received pursuant to the program in the form of educational scholarships within 36 months of receipt of such contributions. If such contributions have not been disbursed within the

applicable 36-month time period, then the scholarship granting organization shall not accept new contributions until 90% of the received contributions have been disbursed in the form of educational scholarships. Any income earned from contributions must be disbursed in the form of educational scholarships.

(d) A scholarship granting organization may continue to provide an educational scholarship with respect to a student who was an eligible student in the year immediately preceding the current school year.

(e) (1) A scholarship granting organization shall direct payments of educational scholarships to the qualified school attended by the eligible student or in which the eligible student is enrolled. Payment may be made by check made payable to both the parent and the qualified school or to only the qualified school. If an eligible student transfers to a new qualified school during a school year, the scholarship granting organization shall direct payment in a prorated amount to the original qualified school and the new qualified school based on the eligible student's attendance. If the eligible student transfers to a public school and enrolls in such public school after September 20 of the current school year, the scholarship granting organization shall direct payment in a prorated amount to the original qualified school and the public school based on the eligible student's attendance. The prorated amount to the public school shall be considered a donation and shall be paid to the school district of such public school in accordance with K.S.A. 72-1142, and amendments thereto.

(2) *As used in this subsection, the term "public school" means any school operated by a school district.*

(f) By June 1 of each year, a scholarship granting organization shall submit a report to the state board for the educational scholarships provided in the immediately preceding 12 months. Such report shall be in a form and manner as prescribed by the state board, approved and signed by a certified public accountant, and shall contain the following information:

- (1) The name and address of the scholarship granting organization;
- (2) the name and address of each eligible student with respect to whom an educational scholarship was awarded by the scholarship granting organization;
- (3) the total number and total dollar amount of contributions received during the 12-month reporting period; and
- (4) the total number and total dollar amount of educational scholarships awarded during the 12-month reporting period and the total number and total dollar amount of educational scholarships awarded during the 12-month reporting period with respect to eligible students who qualified under K.S.A. 72-4352(d), and amendments thereto.

(g) No scholarship granting organization shall:

- (1) Provide an educational scholarship with respect to an eligible student that is established by funding from any contributions made by any relative of such eligible student; or
- (2) accept a contribution from any source with the express or implied condition that such contribution be directed toward an educational scholarship for a particular eligible student.

Sec. 9. K.S.A. 72-5131 is hereby amended to read as follows: 72-5131. K.S.A. 72-5131 through 72-5176, and amendments thereto, *and sections 3 and 4, and amendments thereto*, shall be known and may be cited as the Kansas school equity and enhancement act.

Sec. 10. K.S.A. 72-5132 is hereby amended to read as follows: 72-5132. As used in the Kansas school equity and enhancement act, K.S.A. 72-5131 et seq., and amendments thereto:

(a) "Adjusted enrollment" means the enrollment of a school district adjusted by adding the following weightings, if any, to the enrollment of a school district: At-risk student weighting; bilingual weighting; career

technical education weighting; high-density at-risk student weighting; high enrollment weighting; low enrollment weighting; school facilities weighting; ancillary school facilities weighting; cost-of-living weighting; special education and related services weighting; and transportation weighting.

(b) "Ancillary school facilities weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5158, and amendments thereto, on the basis of costs attributable to commencing operation of one or more new school facilities by such school districts.

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

(2) The term "at-risk student" shall not include any student enrolled in any of the grades one through 12 who is in attendance less than full time, or any student who is over 19 years of age. The provisions of this paragraph shall not apply to any student who has an individualized education program.

(d) "At-risk student weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5151(a), and amendments thereto, on the basis of costs attributable to the maintenance of at-risk educational programs by such school districts.

(e) "Base aid for student excellence" or "BASE aid" means an amount appropriated by the legislature in a fiscal year for the designated year. The amount of BASE aid shall be as follows:

- (1) For school year 2018-2019, \$4,165;
- (2) for school year 2019-2020, ~~\$4,302~~ \$4,436;
- (3) for school year 2020-2021, ~~\$4,439~~ \$4,569;
- (4) for school year 2021-2022, ~~\$4,576~~ \$4,706;
- (5) for school year 2022-2023, ~~\$4,713~~ \$4,846; and

(6) for school year 2023-2024, and each school year thereafter, the BASE aid shall be the BASE aid amount for the immediately preceding school year plus an amount equal to the average percentage increase in the consumer price index for all urban consumers in the midwest region as published by the bureau of labor statistics of the United States department of labor during the three immediately preceding school years rounded to the nearest whole dollar amount.

(f) "Bilingual weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5150, and amendments thereto, on the basis of costs attributable to the maintenance of bilingual educational programs by such school districts.

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

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

(i) "Categorical fund" means and includes the following funds of a school district: Adult education fund; adult supplementary education fund; at-risk education fund; bilingual education fund; career and postsecondary education fund; driver training fund; educational excellence grant program fund; extraordinary school program fund; food service fund; parent education program fund; preschool-aged at-risk education fund; professional development fund; special education fund; and summer program fund.

(j) "Cost-of-living weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5159, and amendments thereto, on the basis of costs attributable to the cost of living in such school districts.

(k) "Current school year" means the school year during which state foundation aid is determined by the state board under K.S.A. 72-5134, and amendments thereto.

(l) "Enrollment" means:

(1) The number of students regularly enrolled in kindergarten and grades one through 12 in the school district on September 20 of the preceding school year plus the number of preschool-aged at-risk students regularly enrolled in the school district on September 20 of the current school year, except a student who is a foreign exchange student shall not be counted unless such student is regularly enrolled in the school district on September 20 and attending kindergarten or any of the grades one through 12 maintained by the school district for at least one semester or two quarters, or the equivalent thereof.

(2) If the enrollment in a school district in the preceding school year has decreased from enrollment in the second preceding school year, the enrollment of the school district in the current school year means the sum of:

(A) The enrollment in the second preceding school year, excluding students under paragraph (2)(B), minus enrollment in the preceding school year of preschool-aged at-risk students, if any, plus enrollment in the current school year of preschool-aged at-risk students, if any; and

(B) the adjusted enrollment in the second preceding school year of any students participating in the tax credit for low income students scholarship program pursuant to K.S.A. 72-4351 et seq., and amendments thereto, in the preceding school year, if any, plus the adjusted enrollment in the preceding school year of preschool-aged at-risk students who are participating in the tax credit for low income students scholarship program pursuant to K.S.A. 72-4351 et seq., and amendments thereto, in the current school year, if any.

(3) For any school district that has a military student, as that term is defined in K.S.A. 72-5139, and amendments thereto, enrolled in such district, and that received federal impact aid for the preceding school year, if the enrollment in such school district in the preceding school year has decreased from enrollment in the second preceding school year, the enrollment of the school district in the current school year means whichever is the greater of:

(A) The enrollment determined under paragraph (2); or

(B) the sum of the enrollment in the preceding school year of preschool-aged at-risk students, if any, and the arithmetic mean of the sum of:

(i) The enrollment of the school district in the preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any;

(ii) the enrollment in the second preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any; and

(iii) the enrollment in the third preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any.

(4) The enrollment determined under paragraph (1), (2) or (3), except if the school district begins to offer kindergarten on a full-time basis in such school year, students regularly enrolled in kindergarten in the school district in the preceding school year shall be counted as one student regardless of actual attendance during such preceding school year.

(m) "February 20" has its usual meaning, except that in any year in which February 20 is not a day on which school is maintained, it means the first day after February 20 on which school is maintained.

(n) "Federal impact aid" means an amount equal to the federally qualified percentage of the amount of moneys a school district receives in the current school year under the provisions of title I of public law 874 and congressional appropriations therefor, excluding amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations

thereunder.

(o) "General fund" means the fund of a school district from which operating expenses are paid and in which is deposited all amounts of state foundation aid provided under this act, payments under K.S.A. 72-528, and amendments thereto, payments of federal funds made available under the provisions of title I of public law 874, except amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program and such other moneys as are provided by law.

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

(q) "High-density at-risk student weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5151(b), and amendments thereto, on the basis of costs attributable to the maintenance of at-risk educational programs by such school districts.

(r) "High enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5149(b), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(s) "Juvenile detention facility" means the same as such term is defined in K.S.A. 72-1173, and amendments thereto.

(t) "Local foundation aid" means the sum of the following amounts:

(1) An amount equal to any unexpended and unencumbered balance remaining in the general fund of the school district, except moneys received by the school district and authorized to be expended for the purposes specified in K.S.A. 72-5168, and amendments thereto;

(2) an amount equal to any remaining proceeds from taxes levied under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto, prior to their repeal;

(3) an amount equal to the amount deposited in the general fund in the current school year from moneys received in such school year by the school district under the provisions of K.S.A. 72-3123(a), and amendments thereto;

(4) an amount equal to the amount deposited in the general fund in the current school year from moneys received in such school year by the school district pursuant to contracts made and entered into under authority of K.S.A. 72-3125, and amendments thereto;

(5) an amount equal to the amount credited to the general fund in the current school year from moneys distributed in such school year to the school district under the provisions of articles 17 and 34 of chapter 12 of the Kansas Statutes Annotated, and amendments thereto, and under the provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto;

(6) an amount equal to the amount of payments received by the school district under the provisions of K.S.A. 72-3423, and amendments thereto;

(7) an amount equal to the amount of any grant received by the school district under the provisions of K.S.A. 72-3425, and amendments thereto; and

(8) an amount equal to 70% of the federal impact aid of the school district.

(u) "Low enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5149(a), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(v) "Operating expenses" means the total expenditures and lawful transfers from the general fund of a school district during a school year for all purposes, except expenditures for the purposes specified in K.S.A. 72-5168, and amendments thereto.

(w) "Preceding school year" means the school year immediately

before the current school year.

(x) "Preschool-aged at-risk student" means an at-risk student who has attained the age of three years, is under the age of eligibility for attendance at kindergarten, and has been selected by the state board in accordance with guidelines governing the selection of students for participation in head start programs.

(y) "Preschool-aged exceptional children" means exceptional children, except gifted children, who have attained the age of three years but are under the age of eligibility for attendance at kindergarten. The terms "exceptional children" and "gifted children" have the same meaning as those terms are defined in K.S.A. 72-3404, and amendments thereto.

(z) "Psychiatric residential treatment facility" means the same as such term is defined in K.S.A. 72-1173, and amendments thereto.

(aa) "School district" means a school district organized under the laws of this state that is maintaining public school for a school term in accordance with the provisions of K.S.A. 72-3115, and amendments thereto.

(bb) "School facilities weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5156, and amendments thereto, on the basis of costs attributable to commencing operation of one or more new school facilities by such school districts.

(cc) "School year" means the 12-month period ending June 30.

(dd) "September 20" has its usual meaning, except that in any year in which September 20 is not a day on which school is maintained, it means the first day after September 20 on which school is maintained.

(ee) "Special education and related services weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5157, and amendments thereto, on the basis of costs attributable to the maintenance of special education and related services by such school districts.

(ff) "State board" means the state board of education.

(gg) "State foundation aid" means the amount of aid distributed to a school district as determined by the state board pursuant to K.S.A. 72-5134, and amendments thereto.

(hh) (1) "Student" means any person who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 maintained by the school district or who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 in another school district in accordance with an agreement entered into under authority of K.S.A. 72-13,101, and amendments thereto, or who is regularly enrolled in a school district and attending special education services provided for preschool-aged exceptional children by the school district.

(2) (A) Except as otherwise provided in this subsection, the following shall be counted as one student:

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

(ii) a student enrolled in a school district and attending special education and related services, provided for by the school district.

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

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

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

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

(D) A student enrolled in and attending an institution of postsecondary education that is authorized under the laws of this state to

award academic degrees shall be counted as one student if the student's postsecondary education enrollment and attendance together with the student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time, otherwise the student shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education attendance and attendance in grades 11 or 12, as applicable, bears to full-time attendance.

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

(F) A student enrolled in a school district and attending a non-virtual school and also attending a virtual school shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual school bears to full-time attendance.

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

(H) (i) Except as provided in clause (ii), a student enrolled in a school district who is not a resident of Kansas shall be counted as follows:

- (a) For school year 2018-2019, one student;
- (b) for school years 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and
- (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a student.

(ii) This subparagraph (H) shall not apply to:

(a) A student whose parent or legal guardian is an employee of the school district where such student is enrolled; or

(b) a student who attended public school in Kansas during school year 2016-2017 and who attended public school in Kansas during the immediately preceding school year.

(3) The following shall not be counted as a student:

(A) An individual residing at the Flint Hills job corps center;

(B) except as provided in paragraph (2), an individual confined in and receiving educational services provided for by a school district at a juvenile detention facility; and

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

(4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et seq., and amendments thereto, shall be counted in accordance with the provisions of K.S.A. 72-3715, and amendments thereto.

(ii) "Total foundation aid" means an amount equal to the product obtained by multiplying the BASE aid by the adjusted enrollment of a school district.

(jj) "Transportation weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5148, and amendments thereto, on the basis of costs attributable to the provision or furnishing of transportation.

(kk) "Virtual school" means the same as such term is defined in K.S.A. 72-3712, and amendments thereto.

Sec. 11. K.S.A. 72-5142 is hereby amended to read as follows: 72-5142. (a) The board of education of each school district shall levy an ad valorem tax upon the taxable tangible property of the school district in the

school years specified in subsection (b) for the purpose of:

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

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

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

(b) The tax required under subsection (a) shall be levied at a rate of 20 mills in the school years ~~2017-2018~~ 2019-2020 and ~~2018-2019~~ 2020-2021.

(c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose described in subsection (a)(3), shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state school district finance fund.

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

Sec. 12. K.S.A. 72-5153 is hereby amended to read as follows: 72-5153. (a) There is hereby established in every school district an at-risk education fund, which shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a school district directly attributable to providing at-risk student assistance or programs shall be paid from the at-risk education fund.

(b) Any balance remaining in the at-risk education fund at the end of the budget year shall be carried forward into the at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the at-risk education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

(c) Commencing in school year 2018-2019, expenditures from the at-risk education fund of a school district shall only be made for the following purposes:

(1) At-risk educational programs based on best practices identified pursuant to subsection (d);

(2) personnel providing educational services in conjunction with such programs; or

(3) services contracted for by the school district to provide at-risk educational programs based on best practices identified pursuant to subsection (d).

(d) (1) ~~On or before July 1, 2018,~~ The state board shall identify and approve evidence-based best practices for at-risk programs and instruction of students receiving at-risk program services. *On and after July 1, 2019, such best practices shall include, but not be limited to, programs and services provided by state-based national nonprofit organizations that:*

(A) *Focus on students who are identified as students eligible to receive at-risk program services or who face other identifiable barriers to success;*

(B) *provide evidence-based instruction and support services to such students inside and outside the school setting; and*

(C) *evaluate outcomes data for students, including, but not limited*

to, school attendance, academic progress, graduation rates, pursuit of postsecondary education or career advancement.

(2) The state board shall review and update such best practices as necessary and as part of its five-year accreditation system review process.

(e) Each year the board of education of each school district shall prepare and submit to the state board a report on the assistance or programs provided by the school district for students identified as ~~at-risk~~ *eligible to receive at-risk program services*. Such report shall include the number of students identified as ~~at-risk~~ *eligible to receive at-risk program services* who were served or provided assistance, the type of service provided, the research upon which the school district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

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

(g) *As used in this section, the term "evidence-based instruction" means an education delivery system based on peer-reviewed research that consistently produces better student outcomes over a five-year period than would otherwise be achieved by the same students who are receiving at-risk program services.*

Sec. 13. K.S.A. 72-5170 is hereby amended to read as follows: 72-5170. (a) (1) In order to accomplish the mission for Kansas education, the state board shall design and adopt a school district accreditation system based upon improvement in performance that equals or exceeds the educational goal set forth in K.S.A. 72-3218(c), and amendments thereto, and is measurable. The state board shall hold all school districts accountable to the ~~Kansans can outcomes, or any successor outcomes established by the state board,~~ through the Kansas education systems accreditation rules and regulations, or any successor accreditation system *and accountability plan* adopted by the state board. ~~The state board shall establish rigorous accountability measures in the areas of social emotional learning, kindergarten readiness, individual plans of study, graduation and postsecondary success.~~ The state board also shall ensure that all school districts and the public schools operated by such districts have programs and initiatives in place for providing those educational capacities set forth in K.S.A. 72-3218(c), and amendments thereto. On or before ~~January 15, 2018, and each January 15 thereafter~~ *of each year*, the state board shall prepare and submit a report on the school district accreditation system to the governor and the legislature.

(2) The accountability measures established pursuant to paragraph (1) shall be applied both at the district level and at the school level. Such accountability measures shall be reported by the state board for each school district and each school ~~by publication on the internet website of the state department of education. Each school district also shall report such accountability measures for such school district and each school operated by such district by publication on such school district's internet website.~~ *All reports prepared pursuant to this section shall be published in accordance with section 5, and amendments thereto.*

(3) If a school district is not fully accredited and a corrective action plan is required by the state board, such corrective action plan, and any subsequent reports prepared by the state board regarding the progress of such school district in implementing and executing such corrective action plan, shall be published on the state department of education's internet website and such school district's internet website *in accordance with section 5, and amendments thereto.*

(4) If a school district is not accredited, the superintendent, or the superintendent's designee, shall appear before the committee on education

of the house of representatives and the committee on education of the senate during the regular legislative session that occurs during the same school year in which such school district is not accredited. Such school district shall provide a report to such committees on the challenges and obstacles that are preventing such school district from becoming accredited.

(b) The state board shall establish curriculum standards that reflect high academic standards for the core academic areas of mathematics, science, reading, writing and social studies. The curriculum standards shall be reviewed at least every seven years. Nothing in this subsection shall be construed in any manner so as to impinge upon any school district's authority to determine its own curriculum.

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

(d) Each school year, on such date as specified by the state board, each school district shall submit the Kansas education system accreditation report to the state board in such form and manner as prescribed by the state board.

(e) Whenever the state board determines that a school district has failed either to meet the accreditation requirements established by rules and regulations or standards adopted by the state board or provide curriculum based on state standards and courses required by state law, the state board shall so notify the school district. Such notice shall specify the accreditation requirements that the school district has failed to meet and the curriculum that it has failed to provide. Upon receipt of such notice, the board of education of such school district is encouraged to reallocate the resources of the school district to remedy all deficiencies identified by the state board.

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

Sec. 14. K.S.A. 72-5171 is hereby amended to read as follows: 72-5171. (a) On or before January 15 of each year, the state department of education shall prepare and submit ~~reports~~ *a financial accountability report* on school district funding for each school district to the governor and the legislature.

(b) Each report shall contain the information described in subsection (c) for the school district in terms of actual dollar amounts for the second

and immediately preceding school years and budgeted dollar amounts for the current school year.

(c) Each report shall contain the following information for the school district:

(1) Full-time equivalent enrollment *and the virtual student full-time equivalent enrollment*;

(2) demographic information, including, but not limited to, gender, race, ethnicity, students who are economically disadvantaged, migrants, English language learners and students with disabilities;

(3) total general and supplemental general funds, including a showing of funding provided by federal sources, state sources and local sources, and total funds per student;

(4) total capital outlay funds, including a showing of such funding provided by federal sources, state sources and local sources, and capital outlay funds per student;

(5) total bond and interest funds, including a showing of such funding provided by federal sources, state sources and local sources, and bond and interest funds per student;

(6) total of all other funds not described in paragraphs (3), (4) and (5), excluding fund transfers, including a showing of such funding provided by federal sources, state sources and local sources, and total funds per student;

(7) total funds per student of all funds described in paragraphs (3) through (6);

(8) general fund moneys attributable to the following:

(A) BASE aid;

(B) high enrollment weighting;

(C) low enrollment weighting;

(D) school facilities weighting;

(E) transportation weighting;

(F) at-risk student weighting;

(G) preschool-aged at-risk student weighting;

(H) high-density at-risk student weighting;

(I) career technical education weighting;

(J) special education and related services weighting;

(K) bilingual weighting;

(L) ancillary school facilities weighting;

(M) cost-of-living weighting;

(N) declining enrollment weighting; and

(O) virtual school state aid;

(9) total expenditures on the following:

(A) At-risk education programs and services;

(B) preschool-aged at-risk education programs and services;

(C) bilingual education programs and services;

(D) career and technical education programs and services;

(E) special education and related services; and

(F) virtual school programs and services;

(10) total expenditures from the special retirement contributions fund;

(11) expenditures and fund transfers from the supplemental general fund for those programs and services set forth in paragraph (9) and any other accounting category for which there is an expenditure or transfer from such fund;

(12) *total expenditures from any fund for expenses incurred as a result of the school district's participation in any legal proceeding challenging the constitutional adequacy of any school finance laws under section 6 of article 6 of the constitution of the state of Kansas, regardless of whether such school district was a named party in such legal proceedings, and including any dues, fees or other expenses incurred by such school district as a result of its membership in any organization that*

participates in any legal proceeding challenging the constitutional adequacy of any school finance laws under section 6 of article 6 of the constitution of the state of Kansas, and the aggregate amount of such expenditures made on and after July 1, 2010; and

~~(12)~~(13) general obligation bond indebtedness.

(d) *All reports prepared pursuant to this section shall be published in accordance with section 5, and amendments thereto.*

(e) The state board shall provide uniform guidelines for what constitutes total expenditures for the programs and services listed under subsection (c)(9).

Sec. 15. K.S.A. 72-5173 is hereby amended to read as follows: 72-5173. The legislative post audit committee shall direct the legislative division of post audit to conduct the following performance audits in the fiscal year specified:

(a) A performance audit of transportation services funding. The audit should include a comparison of the amount of transportation services funding school districts receive to the cost of providing transportation services. This performance audit shall be conducted during fiscal year 2018, and the final audit report shall be submitted to the legislature on or before January 15, 2018.

(b) A performance audit of at-risk education funding. The audit should evaluate the method of counting students for at-risk education funding, the level of the at-risk student weighting and high-density at-risk student weighting under the act and how school districts are expending moneys provided for at-risk education. This performance audit shall be conducted during fiscal year 2020, and the final audit report shall be submitted to the legislature on or before January 15, 2020.

(c) A performance audit of bilingual education funding. The audit should evaluate the method of counting students for bilingual education funding, the level of the bilingual weighting under the act and how school districts are expending moneys provided for bilingual education. This performance audit shall be conducted during fiscal year ~~2022~~ 2021, and the final audit report shall be submitted to the legislature on or before January 15, ~~2022~~ 2021.

(d) A study of statewide virtual school programs administered in other states. The study shall include, but not be limited to, the following:

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

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

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

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

The ~~audit study~~ shall be conducted during fiscal year 2023, and the final ~~audit study~~ report shall be submitted to the legislature on or before January 15, 2023.

(e) *A performance audit of the unencumbered cash balances held in all funds by each school district. The audit should evaluate the annual accumulations of unencumbered cash balances for the preceding 10 years, the annual expenditures of such moneys and how school districts are expending such moneys. This performance audit shall be conducted no later than fiscal year 2021, and the final audit report shall be submitted to the legislature on or before January 15, 2021.*

~~(e)~~(f) (1) A performance audit to provide a reasonable estimate of the cost of providing educational opportunities for every public school student in Kansas to achieve the performance outcome standards adopted by the state board of education. This performance audit shall be conducted ~~two times as follows:~~

~~(A) During fiscal year 2021, and the final report submitted to the legislature on or before January 15, 2021; and~~

~~(B) during fiscal year 2024, and the final report submitted to the legislature on or before January 15, 2024.~~

(2) ~~Each~~ *The* performance audit required under this subsection shall:

(A) Include reasonable estimates of the costs of providing specialized education services as required by law, including, but not limited to, bilingual education and at-risk programs; and

(B) account for other factors which may contribute to variations in costs incurred by school districts, including, but not limited to, total district enrollment and geographic location within the state.

(3) In conducting ~~each~~ *the* performance audit required under this subsection:

(A) Any examination of historical data and expenditures shall correct any recognized inadequacy of such data or expenditure through a statistically valid method of extrapolation; and

(B) subject to the limitations of the division of legislative post audit budget and appropriations therefor, the legislative post auditor may enter into contracts with consultants as the post auditor deems necessary.

~~(f)~~(g) A performance audit to provide a reasonable estimate of the costs of providing special education and related services, including, but not limited to, other factors which may contribute to variations in costs incurred by school districts. This performance audit shall be conducted during fiscal year 2019, and the final audit report shall be submitted to the legislature on or before January 15, 2019.

Sec. 16. K.S.A. 72-5193 is hereby amended to read as follows: 72-5193. Article 6 of the constitution of the state of Kansas states that the legislature shall provide for intellectual, educational, vocational and scientific improvement by establishing and maintaining public schools; provide for a state board of education having general supervision of public schools, educational institutions and the educational interests of the state, except those delegated by law to the state board of regents; and make suitable provision for finance of the educational interests of the state. It is the purpose and intention of the legislature to provide a financing system for the education of kindergarten and grades one through 12 ~~which~~ *that* provides students with the capacities set forth in K.S.A. 72-3218, and amendments thereto. Such financing system shall be sufficiently flexible for the legislature to consider and utilize financing methods from all available resources in order to satisfy the constitutional requirements under article 6. Such financing methods shall include, but are not limited to, the following:

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

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

(1) Financing to unified school districts through the Kansas school equity and enhancement act, K.S.A. 72-5131 et seq., and amendments thereto;

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

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

(4) appropriations to the Kansas children's cabinet for programs serving students enrolled in unified school districts in meeting the goal specified in K.S.A. 72-3218, and amendments thereto;

(5) appropriations to any programs ~~which~~ *that* provide early learning to four-year-old children with the purpose of preparing them for success

in public schools;

(6) appropriations to any programs, such as *jobs for America's graduates, boys and girls club* and communities in schools, ~~which that~~ provide individualized support to students enrolled in unified school districts ~~in meeting and assist with achievement of~~ the goal specified in K.S.A. 72-3218, and amendments thereto;

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

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

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

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

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

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

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

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

Sec. 17. K.S.A. 72-5462 is hereby amended to read as follows: 72-5462. (a) There is hereby established in the state treasury the school district capital improvements fund. The fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which is obligated to make payments from its capital improvements fund shall be entitled to receive payment from the school district capital improvements fund in an amount determined by the state board of education as provided in this subsection.

(1) For general obligation bonds approved for issuance at an election held prior to July 1, 2015, the state board of education shall:

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

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

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

(D) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the median AVPP shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval above the amount of the median AVPP, and

increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval below the amount of the median AVPP. Except as provided by K.S.A. 72-5463, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district. The state aid percentage factor of a school district shall not exceed 100%. The state aid computation percentage is 25%;

(E) determine the amount of payments that a school district is obligated to make from its bond and interest fund attributable to general obligation bonds approved for issuance at an election held prior to July 1, 2015; and

(F) multiply the amount determined under subsection (b)(1)(E) by the applicable state aid percentage factor.

(2) For general obligation bonds approved for issuance at an election held on or after July 1, 2015, the state board of education shall:

(A) Determine the amount of the AVPP of each school district in the state for the preceding school year and round such amount to the nearest \$1,000. The rounded amount is the AVPP of a school district for the purposes of this subsection (b)(2);

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

(C) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the lowest AVPP shown on the schedule and decreasing the state aid computation percentage assigned to the amount of the lowest AVPP by one percentage point for each \$1,000 interval above the amount of the lowest AVPP. Except as provided by K.S.A. 72-5463, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district. The state aid computation percentage is 75%;

(D) determine the amount of payments that a school district is obligated to make from its bond and interest fund attributable to general obligation bonds approved for issuance at an election held on or after July 1, 2015; and

(E) multiply the amount determined under subsection (b)(2)(D) by the applicable state aid percentage factor.

(3) For general obligation bonds approved for issuance at an election held on or before June 30, 2016, the sum of the amount determined under subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E) is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(4) For general obligation bonds approved for issuance at an election held on or after July 1, 2016, the amount determined under subsection (b)(2)(E) is the amount of payment the school district shall receive from the school district capital improvements fund in the school year, except the total amount of payments school districts receive from the school district capital improvements fund in the school year for such bonds shall not exceed the six-year average amount of capital improvement state aid as determined by the state board of education.

(A) The state board of education shall determine the six-year average amount of capital improvement state aid by calculating the average of the total amount of moneys expended per year from the school district capital improvements fund in the immediately preceding six fiscal years, not to include the current fiscal year.

(B) (i) Subject to clause (ii), the state board of education shall

prioritize the allocations to school districts from the school district capital improvements fund in accordance with the priorities set forth as follows in order of highest priority to lowest priority:

(a) Safety of the current facility and disability access to such facility as demonstrated by a state fire marshal report, an inspection under the Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar evaluation;

(b) enrollment growth and imminent overcrowding as demonstrated by successive increases in enrollment of the school district in the immediately preceding three school years;

(c) impact on the delivery of educational services as demonstrated by restrictive inflexible design or limitations on installation of technology; and

(d) energy usage and other operational inefficiencies as demonstrated by a district-wide energy usage analysis, district-wide architectural analysis or other similar evaluation.

(ii) In allocating capital improvement state aid, the state board shall give higher priority to those school districts with a lower AVPP compared to the other school districts that are to receive capital improvement state aid under this section.

(C) On and after July 1, 2016, the state board of education shall approve the amount of state aid payments a school district shall receive from the school district capital improvements fund pursuant to subsection (b)(5) prior to an election to approve the issuance of general obligation bonds.

(5) Except as provided in subsections (b)(6) and (b)(7), the sum of the amounts determined under subsection (b)(3) and the amount determined or allocated to the district by the state board of education pursuant to subsection (b)(4), is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(6) A school district that had an enrollment of less than 260 students in the school year immediately preceding the school year in which an election is held to approve the issuance of general obligation bonds shall not be entitled to receive payments from the school district capital improvements fund unless such school district applied for and received approval from the state board of education to issue such bonds prior to holding an election to approve such bond issuance. The provisions of this paragraph shall apply to general obligation bonds approved for issuance at an election held on or after July 1, 2017, that are issued for the purpose of financing the construction of new school facilities.

(7) For general obligation bonds approved for issuance at an election held on or after July 1, 2017, in determining the amount under subsection (b)(2)(D), the state board shall exclude payments for any capital improvement project, or portion thereof, that proposes to construct, reconstruct or remodel a facility that would be used primarily for extracurricular activities, unless the construction, reconstruction or remodeling of such facility is necessary due to concerns relating to the safety of the current facility or disability access to such facility as demonstrated by a state fire marshal report, an inspection under the Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar evaluation.

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital improvements fund for distribution to school districts. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal years ending June 30, ~~2017~~ 2020,

June 30, ~~2018~~ 2021, and June 30, ~~2019~~ 2022, shall be considered to be revenue transfers from the state general fund.

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

(e) The provisions of this section apply only to contractual obligations incurred by school districts pursuant to general obligation bonds issued upon approval of a majority of the qualified electors of the school district voting at an election upon the question of the issuance of such bonds.

(f) On or before the first day of the legislative session in 2017, and each year thereafter, the state board of education shall prepare and submit a report to the legislature that includes information on school district elections held on or after July 1, 2016, to approve the issuance of general obligation bonds and the amount of payments school districts were approved to receive from the school district capital improvements fund pursuant to subsection (b)(4)(C).

Sec. 18. K.S.A. 72-8193 is hereby amended to read as follows: 72-8193. (a) There is hereby established the legislative task force on dyslexia. The task force shall advise and make recommendations to the governor, the legislature and the state board of education regarding matters concerning the use of evidence-based practices for students with dyslexia. ~~The work of the task force should be completed by January 2, 2019, and a report prepared and submitted~~ *The task force shall prepare and submit a report to the governor, the legislature and the state board of education by January 30, 2019, and each January 30 thereafter.*

(b) The recommendations and resource materials shall:

(1) Research and recommend evidence-based reading practices to address dyslexia or characteristics of dyslexia for use by schools;

(2) research and recommend high quality pre-service and in-service professional development activities to address reading difficulties like dyslexia, including identification of dyslexia and effective reading interventions to be used in schools and within degree programs, such as education, reading, special education, speech-language pathology and psychology;

(3) study and examine current state and federal laws and rules and regulations, and the implementation of such laws and rules and regulations that affect students with dyslexia; and

(4) identify valid and reliable screening and evaluation assessments and protocols that can be used and the appropriate personnel to administer such assessments in order to identify children with reading difficulties, such as dyslexia or the characteristics of dyslexia as part of an ongoing reading progress monitoring system, multi-tiered system of supports and child find special education eligibility for students.

(c) The task force shall consist of 16 voting members as follows:

(1) One member of the senate and one elementary school classroom teacher shall be appointed jointly by the chairperson and the ranking minority member of the senate committee on education;

(2) one member of the house of representatives and one elementary school classroom teacher shall be appointed jointly by the chairperson and the ranking minority member of the house committee on education;

(3) one member appointed by and from the state board of education,

to serve as the chairperson of the task force;

(4) one member shall be a professor employed by a state educational institution with specialized expertise in effective evidence-based reading practices for dyslexia appointed by the president of the state board of regents;

(5) one member shall be a principal of a public school appointed by the united school administrators of Kansas;

(6) four members shall be the parents of children with a diagnosis of dyslexia with one appointed by keys for networking, inc., one appointed by families together, inc., one appointed by decoding dyslexia Johnson county and one appointed by the international dyslexia association Kansas Missouri branch, and such appointments shall be made with an effort to provide statewide representation, if possible;

(7) one member shall be appointed by the Kansas association of special education administrators;

(8) one member shall be an elementary school building-level reading specialist appointed by the state board of education;

(9) one member shall be an elementary school special education teacher appointed by the state board of education;

(10) one member shall be a licensed psychologist or speech-language pathologist who diagnoses dyslexia as a part of such person's practice appointed by the chairperson of the task force;

(11) one member, identified as a nonprofit service provider for children diagnosed with dyslexia, shall be appointed by the chairperson of the task force; and

(12) the following ~~ex-officio members, who shall be~~ non-voting members ~~of the task force~~:

(A) One member shall be a licensed attorney from the Kansas state department of education appointed by the Kansas state department of education;

(B) one member shall be a licensed attorney who is familiar with dyslexia issues appointed jointly by the chairperson of the senate committee on education and the chairperson of the house committee on education; and

(C) one member shall be appointed by the disability rights center of Kansas.

(d) *Any vacancy in a position shall be filled in the same manner as the original appointment.*

(e) The chairperson shall call an organizational meeting of the task force on or before July 15, 2018. At such organizational meeting, the members shall elect a vice-chairperson from the membership of the task force. The task force also shall consider dates for future meetings, the agenda for such meetings and the need for electing a facilitator to assist in discussions among the members of the task force. The task force shall meet no more than six times in 2018, *and no more than once in 2019, 2020 and 2021*, and may hold meetings by telephone or video conference, if necessary.

~~(f)~~ *Subject to subsection (e)*, the task force may meet at any time and at any place within the state on the call of the chairperson. A quorum of the task force shall be nine members. All actions of the task force shall be by motion adopted by a majority of those members present when there is a quorum.

~~(g)~~ If approved by the legislative coordinating council, members of the task force attending meetings authorized by the task force shall be paid amounts for expenses, mileage and subsistence as provided in K.S.A. 75-3223(e), and amendments thereto.

~~(h)~~ The staff of the office of revisor of statutes, the legislative research department and the division of legislative administrative services shall provide assistance as may be requested by the legislative task force on dyslexia.

(i) *The provisions of this section shall expire on June 30, 2022.*

Sec. 19. K.S.A. 2018 Supp. 79-201x is hereby amended to read as follows: 79-201x. For taxable years ~~2017~~ 2019 and ~~2018~~ 2020, the following described property, to the extent herein specified, shall be and is hereby exempt from the property tax levied pursuant to the provisions of K.S.A. 72-5142, and amendments thereto: Property used for residential purposes to the extent of \$20,000 of its appraised valuation.

Sec. 20. K.S.A. 72-1167, 72-4352, 72-4354, 72-5131, 72-5132, 72-5142, 72-5153, 72-5170, 72-5171, 72-5173, 72-5193, 72-5462 and 72-8193 and K.S.A. 2018 Supp. 79-201x are hereby repealed.

Sec. 21. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the
SENATE, and passed that body

SENATE adopted

Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE

as amended _____

HOUSE adopted

Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.