Session of 2015

HOUSE BILL No. 2403

By Committee on Appropriations

3-5

Technical Balloon Amendments for HB 2403
House Committee on Appropriations
Prepared by Jason Long
Office of the Revisor of Statutes
March 6, 2015

education; relating to the financing and instruction thereof

1	AN ACT concerning school districts; relating to school finance, making
2	and concerning appropriations for the fiscal years ending June 30,
3	2015, June 30, 2016, and June 30, 2017, for the department of
4	education; creating the classroom learning assuring student success act;
5	amending K.S.A. 12-1677, 12-1775a, 72-1414, 72-6622, 72-6757, 72-
6	8190, 72-8230, 72-8233, 72-8236, 72-8309, 72-8908, 79-2001 and 79-
7	5105 and K.S.A. 2014 Supp. 10-1116a, 12-1770a, 12-1776a, 72-978,
8	72-1046b, 72-1398, 72-1923, 72-3607, 72-3711, 72-3712, 72-3715, 72-
9	5333b, 72-6434, 72-6460, 72-64b01, 72-64c03, 72-64c05, 72-6624, 72-
10	6625, 72-67,115, 72-7535, 72-8187, 72-8237, 72-8249, 72-8250, 72-
11	8251, 72-8302, 72-8316, 72-8415b, 72-8804, 72-8814, as amended by
12	section 54 of 2015 House Substitute for Senate Bill No. 4, 72-9509, 72-
13	9609, 72-99a02, 74-32,141, 74-4939a, 74-8925, 74-99b43, 75-2319,
14	79-201x, 79-213 and 79-2925b and repealing the existing sections; also
15	repealing K.S.A. 72-6406, 72-6408, 72-6411, 72-6415, 72-6418, 72-
16	6419, 72-6424, 72-6427, 72-6429, 72-6432, 72-6436, 72-6437, 72-
17	6444, 72-6446 and 72-6447 and K.S.A. 2014 Supp. 46-3401, 46-3402,
18	72-3716, 72-6405, 72-6407, 72-6409, 72-6410, 72-6412, 72-6413, 72-
19	6414, 72-6414a, 72-6414b, 72-6415b, 72-6416, 72-6417, 72-6420, 72-
20	6421, 72-6423, 72-6425, 72-6426, 72-6428, 72-6430, 72-6431, 72-
21	6433, 72-6433d, 72-6434, as amended by section 38 of this act, 72-
22	6434b, 72-6435, 72-6438, 72-6439, 72-6439a, 72-6441, 72-6441a, 72-
23	6442b, 72-6443, 72-6445a, 72-6448, 72-6449, 72-6450, 72-6451, 72-
24	6452, 72-6453, 72-6455, 72-6456, 72-6457, 72-6458, 72-6460, as
25	amended by section 39 of this act, 72-6461, 72-8801a, 72-8814, as
26	amended by section 63 of this act, 72-8814b, 72-8815 and 79-213f.
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Be it enacted by the Legislature of the State of Kansas: Section 1.

DEPARTMENT OF EDUCATION

Supplemental general state aid......\$1,803,566

Extraordinary needs....\$4,000,000

Sec. 2.

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(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2015, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law shall not exceed the following:

School district extraordinary need fund......\$4,000,000

(c) On the effective date of this act, the director of accounts and reports shall transfer \$4,000,000 from the state general fund to the school district extraordinary need fund of the department of education.

DEPARTMENT OF EDUCATION

2 (a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2016, the following: Operating expenditures (including official hospitality).........\$12,792,999 Provided, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 7 2015, is hereby reappropriated for fiscal year 2016. Special education services aid.....\$424,902,949 Provided. That any unencumbered balance in the special education services aid account in excess of \$100 as of June 30, 2015, is hereby 11 reappropriated for fiscal year 2016: Provided further; That expenditures shall not be made from the special education services aid account for the 12 13 provision of instruction for any homebound or hospitalized child unless 14 the categorization of such child as exceptional is conjoined with the categorization of the child within one or more of the other categories of 15 exceptionality: And provided further, That expenditures shall be made from this account for grants to school districts in amounts determined pursuant 17 to and in accordance with the provisions of K.S.A. 72-983, and 18 amendments thereto: And provided further, That expenditures shall be 19 20 made from the amount remaining in this account, after deduction of the 21 expenditures specified in the foregoing proviso, for payments to school districts in amounts determined pursuant to and in accordance with the 23 provisions of K.S.A. 72-978, and amendments thereto. Block grants to USDs.....\$2,751,326,659 24 Extraordinary needs \$12,292,000 25 Information technology education opportunities.....\$500,000 26 Discretionary grants......\$322,457 27 Provided, That the above agency shall make expenditures from the 29 discretionary grants account during the fiscal year 2016, in the amount not less than \$125,000 for after school programs for middle school students in 30 the sixth, seventh and eighth grades: Provided further, That the after school 31 programs may also include fifth and ninth grade students, if they attend a 32 junior high: And provided further, That such discretionary grants shall be awarded to after school programs that operate for a minimum of two hours 34 a day, every day that school is in session, and a minimum of six hours a 35 day for a minimum of five weeks during the summer: And provided 36 37 further, That the discretionary grants awarded to after school programs 38 shall require a \$1 for \$1 local match: And provided further, That the aggregate amount of discretionary grants awarded to any one after school program shall not exceed \$25,000: And provided further, That during the fiscal year ending June 30, 2016, expenditures shall be made by the above 42 agency from the discretionary grants fund for fiscal year 2016 to establish a pilot program for communities in schools programming in three school

\$2,500,000 from the state highway fund of the department of transportation to the special education transportation weighting – state highway fund of the department of education.

Career and technical education transportation – state

- (c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2016, the following:
- Pre-K program......\$4,799,812
 Parent education program.....\$7,237,635

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

- (d) On July 1, 2015, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$50,000 from the family and children trust account of the family and children investment fund of the Kansas department for children and families to the communities in schools program fund of the department of education.
- (e) On March 30, 2016, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$550,000 from the state safety fund to the state general fund: *Provided*. That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: *Provided further*; That the amount transferred from the state safety fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the department of education by other state agencies which receive appropriations from the state general fund to provide such services.

School district extraordinary need fund.....\$12,292,000

- (f) On June 30, 2016, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$550,000 from the state safety fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state safety fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the department of education by other state agencies which receive appropriations from the state general fund to provide such services.
- (g) On July 1, 2015, and quarterly thereafter, the director of accounts and reports shall transfer \$63,326 from the state highway fund of the department of transportation to the school bus safety fund of the department of education.
- (h) On July 1, 2015, the director of accounts and reports shall transfer an amount certified by the commissioner of education from the motorcycle safety fund of the department of education to the motorcycle safety fund of the state board of regents: *Provided*, That the amount to be transferred shall be determined by the commissioner of education based on the amounts required to be paid pursuant to subsection (b)(2) of K.S.A. 8-272, and amendments thereto.
- (i) There is appropriated for the above agency from the expanded lottery act revenues fund for the fiscal year ending June 30, 2016, the following:

KPERS – school employer contribution......\$36,158,948

(j) On July 1, 2015, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$85,811 from the USAC Erate program federal fund of the state board of regents to the education technology coordinator fund of the department of education: *Provided*, That the department of education shall provide information and data regarding the number of school districts served and cost savings attained by such school districts in order to assess the cost effectiveness of having this education technology coordinator position: *Provided further*; That such information and data shall be available by the department of education by the end of the fiscal year 2016.

Sec. 3.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2017, the following:

Operating expenditures (including official hospitality).....\$13,073,604

b)(2)

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1	Provided, That any unencumbered balance in the operating expenditures
2	(including official hospitality) account in excess of \$100 as of June 30,
3	2016, is hereby reappropriated for fiscal year 2017.
4	Special education services aid\$423,980,455
5	Provided, That any unencumbered balance in the special education
6	services aid account in excess of \$100 as of June 30, 2016, is hereby
7	reappropriated for fiscal year 2017: Provided further, That expenditures
8	shall not be made from the special education services aid account for the
9	provision of instruction for any homebound or hospitalized child unless
10	the categorization of such child as exceptional is conjoined with the
11	categorization of the child within one or more of the other categories of
12	exceptionality: And provided further, That expenditures shall be made from
13	this account for grants to school districts in amounts determined pursuant
14	to and in accordance with the provisions of K.S.A. 72-983, and
15	amendments thereto: And provided further, That expenditures shall be
16	made from the amount remaining in this account, after deduction of the
17	expenditures specified in the foregoing proviso, for payments to school
18	districts in amounts determined pursuant to and in accordance with the
19	provisions of K.S.A. 72-978, and amendments thereto.
20	Block grants to USDs\$2,757,446,624
21	Provided, That any unencumbered balance in the block grants to USDs
22	account in excess of \$100 as of June 30, 2016, is hereby reappropriated for
23	fiscal year 2017.
24	[Extraordinary needs\$17,521,425
25	Information technology education opportunities\$500,000
26	Discretionary grants\$322,457
27	Provided, That the above agency shall make expenditures from the
28	discretionary grants account during the fiscal year 2017, in the amount not
29	less than \$125,000 for after school programs for middle school students in
30	the sixth, seventh and eighth grades: Provided further, That the after school
31	programs may also include fifth and ninth grade students, if they attend a
32	junior high: And provided further, That such discretionary grants shall be
33	awarded to after school programs that operate for a minimum of two hours
34	a day, every day that school is in session, and a minimum of six hours a
35	day for a minimum of five weeks during the summer: And provided
36	further; That the discretionary grants awarded to after school programs
37	shall require a \$1 for \$1 local match: And provided further, That the
38	aggregate amount of discretionary grants awarded to any one after school
39	program shall not exceed \$25,000: And provided further, during the fiscal
40	year ending June 30, 2017, expenditures shall be made by the above
41	agency from the discretionary grants fund for fiscal year 2017 to establish
42	a pilot program for communities in schools programming in three school
43	districts in Kansas: And provided further: That communities in schools shall

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highway fund of the department of education.

Career and technical education transportation - state

Educational technology coordinator fund.......No limit

(c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2017, the following:

Pre-K program......\$4,799,812

which is equal to not less than 65% of the grant.

(d) On July 1, 2016, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$50,000 from the family and children trust account of the family and children investment fund of the Kansas department for children and families to the communities in schools program fund of the department of education.

- (e) On March 30, 2017, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$550,000 from the state safety fund to the state general fund: *Provided*. That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state safety fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the department of education by other state agencies which receive appropriations from the state general fund to provide such services.
- (f) On June 30, 2017, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$550,000 from the state safety fund to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state safety fund to the state general fund pursuant to this subsection is to reimburse

School district extraordinary need fund......\$17,521,425

the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services which are performed on behalf of the department of education by other state agencies which receive appropriations from the state general fund to provide such services.

- (g) On July 1, 2016, and quarterly thereafter, the director of accounts and reports shall transfer \$63,951 from the state highway fund of the department of transportation to the school bus safety fund of the department of education.
- (h) On July 1, 2016, the director of accounts and reports shall transfer an amount certified by the commissioner of education from the motorcycle safety fund of the department of education to the motorcycle safety fund of the state board of regents: *Provided*, That the amount to be transferred shall be determined by the commissioner of education based on the amounts required to be paid pursuant to subsection (b)(2) of K.S.A. 8-272; and amendments thereto.
- (i) There is appropriated for the above agency from the expanded lottery act revenues fund for the fiscal year ending June 30, 2017, the following:

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

- (j) On July 1, 2016, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$85,811 from the USAC Erate program federal fund of the state board of regents to the education technology coordinator fund of the department of education: *Provided*, That the department of education shall provide information and data regarding the number of school districts served and cost savings attained by such school districts in order to assess the cost effectiveness of having this education technology coordinator position: *Provided further*, That such information and data shall be available by the department of education by the end of the fiscal year 2017.
- New Sec. 4. (a) The provisions of sections 4 through 22, and amendments thereto, shall be known and may be cited as the classroom learning assuring student success act.
- (b) The legislature hereby declares that the intent of this act is to lessen state interference and involvement in the local management of school districts and to provide more flexibility and increased local control for school district boards of education and administrators in order to:
- (1) Enhance predictability and certainty in school district funding sources and amounts;
- (2) allow school district boards of education and administrators to best meet their individual school district's financial needs; and
 - (3) maximize opportunities for more funds to go to the classroom.

To meet this legislative intent, state financial support for elementary

(b)(2)

and secondary public education will be met by providing a block grant for school years 2015-2016 and 2016-2017 to each school district. Each school district's block grant will be based in part on, and be at least equal to, the total state financial support as determined for school year 2014-2015 under the school district finance and quality performance act, prior to its repeal. All school districts will be held harmless from any decreases to the final school year 2014-2015 amount of total state financial support.

- (c) The legislature further declares that the guiding principles for the development of subsequent legislation for the finance of elementary and secondary public education should consist of the following:
 - (1) Ensuring that student's educational needs are funded;
 - (2) providing more funding to classroom instruction;
- (3) maximizing flexibility in the use of funding by school district boards of education and administrators; and
- (4) achieving the goal of providing students with those education capacities established in K.S.A. 72-1127, and amendments thereto.
- (d) The provisions of this section shall be effective from and after July 1, 2015.

New Sec. 5. (a) As used in sections 4 through 22, and amendments thereto:

- (1) (A) "At-risk pupils" means pupils who are eligible for free meals under the national school lunch act and who are enrolled in a district which maintains an approved at-risk pupil assistance plan.
- (B) The term "at-risk pupils" shall not include any pupil: (i) Enrolled in any of the grades one through 12 who is in attendance less than full time; or (ii) who is over 19 years of age. The provisions of this paragraph shall not apply to any pupil who has an individualized education program.
 - (2) "Board" means the board of education of a school district.
- (3) "Current school year" means the school year during which general state aid is determined by the state board under section (2), and amendments thereto.
- (4) "Enrollment" means: (A) (i) Subject to the provisions of subsection (a)(4)(A)(ii), for school districts scheduling the school days or school hours of the school term on a trimestral or quarterly basis, the number of pupils regularly enrolled in the district on September 20 plus the number of pupils regularly enrolled in the school district on February 20 less the number of pupils regularly enrolled on February 20 who were counted in the enrollment of the school district on September 20;
- (ii) for school districts not described in subsection (a)(4)(A)(i), the number of pupils regularly enrolled in the school district on September 20; and
- (iii) a pupil who is a foreign exchange student shall not be counted unless such student is regularly enrolled in the school district on

thereto, provided, the school district has levied such tax, plus;

- (5) the amount of virtual school state aid such school district is to receive under K.S.A. 2014 Supp. 72-3715, and amendments thereto, plus;
- (6) an amount certified by the board of trustees of the Kansas public employees retirement system which is equal to the participating employer's obligation of such school district to the system, less;
- (7) an amount equal to 0.4% of the <u>Fum-of-subsections</u> J(a)(1) <u>Ehrough-(a)(6)</u>.
- (b) For any school district whose school financing sources exceeded its state financial aid for school year 2014-2015 as calculated under the school district finance and quality performance act, prior to its repeal, the amount such school district is entitled to receive under subsection (a)(1) shall be the proceeds of the tax levied by the school district pursuant to section 11, and amendments thereto, less the difference between such school district's school financing sources and its state financial aid for school year 2014-2015 as calculated under the school district finance and quality performance act, prior to its repeal.
- (c) For any school district formed by consolidation in accordance with article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, prior to the effective date of this act, and whose state financial aid for school year 2014-2015 was determined under K.S.A. 72-6445a, prior to its repeal, the amount of general state aid for such school district determined under subsection (a)(1) shall be determined as if such school district was not subject to K.S.A. 72-6445a, prior to its repeal, for school year 2014-2015.
- (d) For any school district that consolidated in accordance with article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, and such consolidation becomes effective on or after July 1, 2015, the amount of general state aid for such school district determined under subsection (a)(1) shall be the sum of the general state aid each of the former school districts would have received under subsection (a)(1).
- (e) (1) For any school district that was entitled to receive school facilities weighting for school year 2014-2015 under K.S.A. 72-6415b, prior to its repeal, and which would not have been eligible to receive such weighting for school year 2015-2016 under K.S.A. 72-6415b, prior to its repeal, an amount directly attributable to the school facilities weighting as determined for school year 2014-2015 under K.S.A. 72-6415, prior to its repeal, for such school district shall be subtracted from the amount of general state aid for such school district determined under subsection (a) (1).
- (2) For any school district which would have been eligible to receive school facilities weighting for school year 2015-2016 under K.S.A. 72-6415b, prior to its repeal, but which did not receive such weighting for

amount determined under

state finance council for the current school year.

(e) For school year 2015-2016, and each school year thereafter, the state board of education shall certify to the director of accounts and reports an amount equal to the aggregate of the amount determined under section [6(a)(6)] and amendments thereto, for all school districts. Upon receipt of such certification, the director shall transfer the certified amount from the state general fund to the school district extraordinary need fund. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund.

New Sec. 18. (a) Any fund established in a school district pursuant to K.S.A. 72-6409, 72-6420 through 72-6424 or K.S.A. 2014 Supp. 72-6414a or 72-6414b, and amendments thereto, prior to their repeal, shall continue in existence in such school district, subject to the provisions of sections 4 through 22, and amendments thereto.

(b) The provisions of this section shall be effective from and after July 1, 2015.

New Sec. 19. (a) Except for the bond and interest fund, the board of any school district may transfer moneys from the general fund to any other fund of the school district in any school year. Except for the bond and interest fund, special education fund and special retirement contributions fund, the board of any school district may transfer moneys from any fund of the school district to the general fund of the school district.

- (b) The board of any school district may transfer moneys from any other fund to the special education fund or special retirement contributions fund of the school district, but no transfers shall be authorized from the bond and interest fund, special education fund or special retirement contributions fund. Moneys in the bond and interest fund, special education fund and special retirement contributions fund shall only be expended for such purposes as permitted by law.
- (c) The aggregate amount of money transferred pursuant to this section from the capital outlay fund of a school district to the general fund of the school district, or to any other fund of the school district for any school year shall not exceed the aggregate amount of money held in the capital outlay fund that is not directly attributable to any tax levied under the authority of K.S.A. 72-8801, and amendments thereto.
- (d) The provisions of this section shall be effective from and after July 1, 2015.

New Sec. 20. (a) In order to accomplish the mission for Kansas education, the state board of education shall design and adopt a school performance accreditation system based upon improvement in performance that reflects high academic standards and is measurable.

(b) The state board shall establish curriculum standards which reflect high academic standards for the core academic areas of mathematics, 6(a)(7)

(f) The approvals by the state finance council required by this section are hereby characterized as matters of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711c(c), and amendments thereto. Such approvals may be given by the state finance council when the legislature is in session.

school year for provision of such special education and related services bears to the aggregate of all amounts paid by all contracting school districts in the current school year by such cooperative for provision of such special education and related services.

- (e) No time spent by a special teacher in connection with duties performed under a contract entered into by the Kansas juvenile correctional complex, the Atchison juvenile correctional facility, the Larned juvenile correctional facility, or the Topeka juvenile correctional facility and a school district for the provision of special education services by such state institution shall be counted in making computations under this section.
- (f) There is hereby established in every school district a fund which shall be called the special education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from whatever source for special education shall be credited to the special education fund established by this section, except that: (1) Amounts of payments received by a school district under K.S.A. 72-979, and amendments thereto, and amounts of grants, if any, received by a school district under K.S.A. 72-983, and amendments thereto, shall be deposited in the general fund of the district and transferred to the special education fund; and (2) moneys received by a school district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special fund established under the agreements.
- (g) The expenses of a school district directly attributable to special education shall be paid from the special education fund and from special funds established under K.S.A. 72-968, and amendments thereto.
- (h) Obligations of a school district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be paid from the special education fund established by this section.
- Sec. 29. From and after July 1, 2015, K.S.A. 2014 Supp. 72-1046b is hereby amended to read as follows: 72-1046b. (a) As used in this section:
- (1) "School district" means a school district organized and operating under the laws of this state and no part of which is located in Johnson county, Sedgwick county, Shawnee county or Wyandotte county.
- (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and in attendance at a school located in a district in which such pupil is not a resident and who: (A) Lives $2^{1}/_{2}$ or more miles from the attendance center the pupil would attend in the district in which the pupil resides and is not a resident of Johnson county, Sedgwick county, Shawnee county or Wyandotte county; or (B) is a member of the family of a pupil meeting the condition prescribed in subpart (A).

education

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thereto, and the open records act as provided in K.S.A. 45-215 et seq., and amendments thereto.

Sec. 33. From and after July 1, 2015, K.S.A. 2014 Supp. 72-3607 is hereby amended to read as follows: 72-3607. (a) There is hereby established in every school district which has developed and is operating a parent education program for which grants are awarded under this act a fund which shall be called the parent education program fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from whatever source for a parent education program operated under this act shall be credited to the fund established by this section. Amounts deposited in the parent education program fund shall may be used exclusively for the payment of expenses directly attributable to the program or for general operating expenses of the school district as approved by the board of education.

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

Sec. 34. From and after July 1, 2015 K.S.A. 2014 Supp. 72-3711 is hereby amended to read as follows: 72-3711. K.S.A. 2014 Supp. 72-3711 through 72-3716 72-3715, and amendments thereto, shall be known and may be cited as the virtual school act.

Sec. 35. From and after July 1, 2015, K.S.A. 2014 Supp. 72-3712 is hereby amended to read as follows: 72-3712. As used in the virtual school act:

- (a) "Virtual school" means any school or educational program that: (1) Is offered for credit; (2) uses distance-learning technologies which predominately use internet-based methods to deliver instruction; (3) involves instruction that occurs asynchronously with the teacher and pupil in separate locations; (4) requires the pupil to make academic progress toward the next grade level and matriculation from kindergarten through high school graduation; (5) requires the pupil to demonstrate competence in subject matter for each class or subject in which the pupil is enrolled as part of the virtual school; and (6) requires age-appropriate pupils to complete state assessment tests.
- (b) "School district" means any school district which offers a virtual school.
- (c) Except as provided by the virtual school act, words and phrases shall have the meanings ascribed thereto in the school district finance and quality performance act section 5, and amendments thereto.
 - Sec. 36. From and after July 1, 2015, K.S.A. 2014 Supp. 72-3715 is

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multiply the total number of such pupils by \$5,600;

- (B) determine the number of pupils enrolled in virtual school on a part-time basis, excluding those pupils who are over 18 years of age, and multiply the total number of such pupils by \$4,045; and
- (C) add the amounts calculated under subsections (d)(1)(A) and (d) (1)(B). The resulting sum is the amount of virtual school state aid the school district shall receive.
 - (2) For school year 2016-2017, and each school year thereafter:
- (A) Determine the number of pupils enrolled in virtual school on a full-time basis, excluding those pupils who are over 18 years of age, and multiply the total number of such pupils by \$5,600;
- (B) determine the number of pupils enrolled in virtual school on a part-time basis, excluding those pupils who are over 18 years of age, and multiply the total number of such pupils by \$1,700; and
- (C) add the amounts calculated under subsections (d)(1)(A) and (d) (1)(B). The resulting sum is the amount of virtual school state aid the school district shall receive.
 - (3) For purposes of this subsection:
- (A) "Full-time" means attendance in a virtual school for no less than six hours as determined pursuant to subsection (b).
- (B) "Part-time" means attendance in a virtual school for less than six hours as determined pursuant to subsection (b).
- (e) There is hereby established in every school district a fund which shall be called the virtual school fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Moneys received as virtual school state aid shall be deposited in the general fund of the school district and transferred to the virtual school fund of the district. The expenses of a school district directly attributable to virtual schools offered by a school district shall and general operating expenses of the school district as approved by the board of education may be paid from the virtual school fund. The cost of an advance placement course provided to a pupil described in subsection (d)(2)(D) by a virtual school shall be paid by the virtual school.

Any balance remaining in the virtual school fund at the end of the budget year shall be carried forward into the virtual school 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.

Any unencumbered balance of moneys remaining in the virtual school fund of a school district on June 30 of the current school year, may be expended in the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

In preparing the budget of such school district, the amounts credited to

(d)(2)(A) and (d)(2)(B)