

## SENATE BILL No. 361

By Committee on Ways and Means

4-6

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AN ACT concerning school district finance; revising the definition of local effort by exclusion of federal impact aid; increasing state prescribed percentage for the purpose of local option budgets; amending K.S.A. 2000 Supp. 72-6410 and 72-6433 and repealing the existing sections.

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

Section 1. K.S.A. 2000 Supp. 72-6410 is hereby amended to read as follows: 72-6410. (a) "State financial aid" means an amount equal to the product obtained by multiplying base state aid per pupil by the adjusted enrollment of a district.

(b) "Base state aid per pupil" means an amount of state financial aid per pupil. Subject to the other provisions of this subsection, the amount of base state aid per pupil is ~~\$3,770 in the 1999-2000 school year and \$3,820 in the 2000-01 school year and in school years thereafter.~~ The amount of base state aid per pupil is subject to reduction commensurate with any reduction under K.S.A. 75-6704, and amendments thereto, in the amount of the appropriation from the state general fund for general state aid. If the amount of appropriations for general state aid is insufficient to pay in full the amount each district is entitled to receive for any school year, the amount of base state aid per pupil for such school year is subject to reduction commensurate with the amount of the insufficiency.

(c) "Local effort" means the sum of an amount equal to the proceeds from the tax levied under authority of K.S.A. 72-6431, and amendments thereto, and an amount equal to any unexpended and unencumbered balance remaining in the general fund of the district, except amounts received by the district and authorized to be expended for the purposes specified in K.S.A. 72-6430, and amendments thereto, and an amount equal to any unexpended and unencumbered balances remaining in the program weighted funds of the district, except any amount in the vocational education fund of the district if the district is operating an area vocational school, and 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 the repeal of such statutory sections, and an

1 amount equal to the amount deposited in the general fund in the current  
2 school year from amounts received in such year by the district under the  
3 provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto,  
4 and an amount equal to the amount deposited in the general fund in the  
5 current school year from amounts received in such year by the district  
6 pursuant to contracts made and entered into under authority of K.S.A.  
7 72-6757, and amendments thereto, and an amount equal to the amount  
8 credited to the general fund in the current school year from amounts  
9 distributed in such year to the district under the provisions of articles 17  
10 and 34 of chapter 12 of Kansas Statutes Annotated and under the pro-  
11 visions of articles 42 and 51 of chapter 79 of Kansas Statutes Annotated,  
12 and an amount equal to 75% of the federal impact aid of the district.

13 ~~(d) "Federal impact aid" means an amount equal to the federally~~  
14 ~~qualified percentage of the amount of moneys a district receives in the~~  
15 ~~current school year under the provisions of title I of public law 874 and~~  
16 ~~congressional appropriations therefor, excluding amounts received for as-~~  
17 ~~sistance in cases of major disaster and amounts received under the low-~~  
18 ~~rent housing program. The amount of federal impact aid defined herein~~  
19 ~~as an amount equal to the federally qualified percentage of the amount~~  
20 ~~of moneys provided for the district under title I of public law 874 shall~~  
21 ~~be determined by the state board in accordance with terms and conditions~~  
22 ~~imposed under the provisions of the public law and rules and regulations~~  
23 ~~thereunder.~~

24 Sec. 2. K.S.A. 2000 Supp. 72-6433 is hereby amended to read as  
25 follows: 72-6433. (a) (1) The board of any district may adopt a local option  
26 budget in each school year, ~~commencing with the 1997-98 school year,~~  
27 in an amount not to exceed an amount equal to the district prescribed  
28 percentage of the amount of state financial aid determined for the district  
29 in the school year. As used in this provision the term district prescribed  
30 percentage means:

31 (A) For any district that was authorized to adopt and that adopted a  
32 local option budget in the 1996-97 school year and to which the provisions  
33 of K.S.A. 2000 Supp. 72-6444, and amendments thereto, do not apply in  
34 the current school year, a percentage in the ~~1997-98 school year that is~~  
35 ~~equal to the percentage specified in the resolution under which the dis-~~  
36 ~~trict was authorized to adopt a local option budget in the 1996-97 school~~  
37 ~~year, in the 1998-99 school year, a percentage that is equal to 95% of the~~  
38 ~~percentage specified in the resolution under which the district was au-~~  
39 ~~thorized to adopt a local option budget in the 1996-97 school year, in the~~  
40 ~~1999-2000 school year, a percentage that is equal to 90% of the percent-~~  
41 ~~age specified in the resolution under which the district was authorized to~~  
42 ~~adopt a local option budget in the 1996-97 school year, in the 2000-01~~  
43 ~~school year, a percentage that is equal to 85% of the percentage specified~~

1 in the resolution under which the district was authorized to adopt a local  
2 option budget in the 1996-97 school year, in the 2001-02 school year, and  
3 in each school year thereafter, a percentage that is equal to 80% of the  
4 percentage specified in the resolution under which the district was au-  
5 thorized to adopt a local option budget in the 1996-97 school year;

6 (B) for any district that was authorized to adopt and that adopted a  
7 local option budget in the 1996-97 school year and to which the provisions  
8 of K.S.A. 2000 Supp. 72-6444, and amendments thereto, apply in the  
9 current school year, a percentage in the ~~1997-98 school year that is equal~~  
10 ~~to the sum of the percentage of the amount of state financial aid the~~  
11 ~~district was authorized to budget in the preceding school year and 20%~~  
12 ~~of the percentage computed for the district by the state board under the~~  
13 ~~provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto, a~~  
14 ~~percentage in the 1998-99 school year that is equal to the sum of the~~  
15 ~~percentage of the amount of state financial aid the district was authorized~~  
16 ~~to budget in the preceding school year and 40% of the percentage com-~~  
17 ~~puted for the district by the state board under the provisions of K.S.A.~~  
18 ~~2000 Supp. 72-6444, and amendments thereto, a percentage in the 1999-~~  
19 ~~2000 school year that is equal to the sum of the percentage of the amount~~  
20 ~~of state financial aid the district was authorized to budget in the preceding~~  
21 ~~school year and 60% of the percentage computed for the district by the~~  
22 ~~state board under the provisions of K.S.A. 2000 Supp. 72-6444, and~~  
23 ~~amendments thereto, a percentage in the 2000-01 school year that is~~  
24 ~~equal to the sum of the percentage of the amount of state financial aid~~  
25 ~~the district was authorized to budget in the preceding school year and~~  
26 ~~80% of the percentage computed for the district by the state board under~~  
27 ~~the provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto,~~  
28 ~~a percentage in the 2001-02 school year, and each school year thereafter,~~  
29 ~~that is equal to the sum of the percentage of the amount of state financial~~  
30 ~~aid the district was authorized to budget in the preceding school year and~~  
31 ~~the percentage computed for the district by the state board under the~~  
32 ~~provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto;~~

33 (C) for any district that was not authorized to adopt a local option  
34 budget in the 1996-97 school year and to which the provisions of K.S.A.  
35 2000 Supp. 72-6444, and amendments thereto, apply in the current  
36 school year, a percentage in the ~~1997-98 school year that is equal to 20%~~  
37 ~~of the percentage computed for the district by the state board under the~~  
38 ~~provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto, a~~  
39 ~~percentage in the 1998-99 school year that is equal to the sum of the~~  
40 ~~percentage of the amount of state financial aid the district was authorized~~  
41 ~~to budget in the preceding school year and 40% of the percentage com-~~  
42 ~~puted for the district by the state board under the provisions of K.S.A.~~  
43 ~~2000 Supp. 72-6444, and amendments thereto, a percentage in the 1999-~~

1 ~~2000 school year that is equal to the sum of the percentage of the amount~~  
2 ~~of state financial aid the district was authorized to budget in the preceding~~  
3 ~~school year and 60% of the percentage computed for the district by the~~  
4 ~~state board under the provisions of K.S.A. 2000 Supp. 72-6444, and~~  
5 ~~amendments thereto, a percentage in the 2000-01 school year that is~~  
6 ~~equal to the sum of the percentage of the amount of state financial aid~~  
7 ~~the district was authorized to budget in the preceding school year and~~  
8 ~~80% of the percentage computed for the district by the state board under~~  
9 ~~the provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto,~~  
10 ~~a percentage in the 2001-02 school year, and each school year thereafter,~~  
11 ~~that is equal to the sum of the percentage of the amount of state financial~~  
12 ~~aid the district was authorized to budget in the preceding school year and~~  
13 ~~the percentage computed for the district by the state board under the~~  
14 ~~provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto;~~

15 (D) for any district to which the provisions of K.S.A. 2000 Supp. 72-  
16 6444, and amendments thereto, applied in the 1997-98 school year and  
17 to which the provisions of K.S.A. 2000 Supp. 72-6444, and amendments  
18 thereto, do not apply in the current school year, ~~commencing with the~~  
19 ~~1998-99 school year,~~ because an increase in the amount budgeted by the  
20 district in its local option budget as authorized by a resolution adopted  
21 under the provisions of subsection (b) causes the actual amount per pupil  
22 budgeted by the district in the preceding school year as determined for  
23 the district under provision (1) of subsection (a) of K.S.A. 2000 Supp. 72-  
24 6444, and amendments thereto, to equal or exceed the average amount  
25 per pupil of general fund budgets and local option budgets computed by  
26 the state board under whichever of the provisions (7) through (10) of  
27 subsection (a) of K.S.A. 2000 Supp. 72-6444, and amendments thereto,  
28 is applicable to the district's enrollment group, a percentage that is equal  
29 to the percentage of the amount of state financial aid the district was  
30 authorized to budget in the preceding school year if the resolution au-  
31 thorized the district to increase its local option budget on a continuous  
32 and permanent basis. If the resolution that authorized the district to in-  
33 crease its local option budget specified a definite period of time for which  
34 the district would retain its authority to increase the local option budget  
35 and such authority lapses at the conclusion of such period and is not  
36 renewed, the term district prescribed percentage means a percentage that  
37 is equal to the percentage of the amount of state financial aid the district  
38 was authorized to budget in the preceding school year less the percentage  
39 of increase that was authorized by the resolution unless the loss of the  
40 percentage of increase that was authorized by the resolution would cause  
41 the actual amount per pupil budgeted by the district to be less than the  
42 average amount per pupil of general fund budgets and local option bud-  
43 gets computed by the state board under whichever of the provisions (7)

1 through (10) of subsection (a) of K.S.A. 2000 Supp. 72-6444, and amend-  
 2 ments thereto, is applicable to the district's enrollment group, in which  
 3 case, the term district prescribed percentage means a percentage that is  
 4 equal to the percentage of the amount of state financial aid the district  
 5 was authorized to budget in the preceding school year less the percentage  
 6 of increase that was authorized by the resolution plus a percentage which  
 7 shall be computed for the district by the state board in accordance with  
 8 the provisions of K.S.A. 2000 Supp. 72-6444, and amendments thereto,  
 9 except that, in making the determination of the actual amount per pupil  
 10 budgeted by the district in the preceding school year, the state board shall  
 11 exclude the percentage of increase that was authorized by the resolution.

12 (2) (A) Subject to the provisions of subpart (B), the adoption of a  
 13 local option budget under authority of this subsection shall require a  
 14 majority vote of the members of the board and shall require no other  
 15 procedure, authorization or approval.

16 (B) In lieu of utilizing the authority granted by subpart (A) for adop-  
 17 tion of a local option budget, the board of a district may pass a resolution  
 18 authorizing adoption of such a budget and publish such resolution once  
 19 in a newspaper having general circulation in the district. The resolution  
 20 shall be published in substantial compliance with the following form:

21 Unified School District No. \_\_\_\_\_,  
 22 \_\_\_\_\_ County, Kansas.

23 RESOLUTION

24 Be It Resolved that:

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

36 CERTIFICATE

37 This is to certify that the above resolution was duly adopted by the board of education of  
 38 Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas,  
 39 on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

40 \_\_\_\_\_  
 41 Clerk of the board of education.

42 All of the blanks in the resolution shall be appropriately filled. The  
 43 blank preceding the word "years" shall be filled with a specific number,

1 and the blank preceding the percentage symbol shall be filled with a  
2 specific number. No word shall be inserted in either of the blanks. The  
3 percentage specified in the resolution shall not exceed the district pre-  
4 scribed percentage. The resolution shall be published once in a news-  
5 paper having general circulation in the school district. If no petition as  
6 specified above is filed in accordance with the provisions of the resolution,  
7 the board may adopt a local option budget. If a petition is filed as provided  
8 in the resolution, the board may notify the county election officer of the  
9 date of an election to be held to submit the question of whether adoption  
10 of a local option budget shall be authorized. If the board fails to notify  
11 the county election officer within 30 days after a petition is filed, the  
12 resolution shall be deemed abandoned and no like resolution shall be  
13 adopted by the board within the nine months following publication of the  
14 resolution. If any district is authorized to adopt a local option budget  
15 under this subpart, but the board of such district chooses, in any school  
16 year, not to adopt such a budget or chooses, in any school year, to adopt  
17 such budget in an amount less than the amount of the district prescribed  
18 percentage of the amount of state financial aid in any school year, such  
19 board of education may so choose. If the board of any district refrains  
20 from adopting a local option budget in any one or more school years or  
21 refrains from budgeting the total amount authorized for any one or more  
22 school years, the authority of such district to adopt a local option budget  
23 shall not be extended by such refrainment beyond the period specified  
24 in the resolution authorizing adoption of such budget, nor shall the  
25 amount authorized to be budgeted in any succeeding school year be in-  
26 creased by such refrainment. Whenever an initial resolution has been  
27 adopted under this subpart, and such resolution specified a lesser per-  
28 centage than the district prescribed percentage, the board of the district  
29 may adopt one or more subsequent resolutions under the same procedure  
30 as provided for the initial resolution and subject to the same conditions,  
31 and shall be authorized to increase the percentage as specified in any  
32 such subsequent resolution for the remainder of the period of time spec-  
33 ified in the initial resolution. Any percentage specified in a subsequent  
34 resolution or in subsequent resolutions shall be limited so that the sum  
35 of the percentage authorized in the initial resolution and the percentage  
36 authorized in the subsequent resolution or in subsequent resolutions is  
37 not in excess of the district prescribed percentage in any school year. The  
38 board of any district that has been authorized to adopt a local option  
39 budget under this subpart and levied a tax under authority of K.S.A. 72-  
40 6435, and amendments thereto, may initiate, at any time after the final  
41 levy is certified to the county clerk under any current authorization, pro-  
42 cedures to renew its authority to adopt a local option budget in the man-  
43 ner specified in this subpart or may utilize the authority granted by sub-

1 part (A). As used in this subpart, the term “authorized to adopt a local  
2 option budget” means that a district has adopted a resolution under this  
3 subpart, has published the same, and either that the resolution was not  
4 protested or that it was protested and an election was held by which the  
5 adoption of a local option budget was approved.

6 (3) The provisions of this subsection are subject to the provisions of  
7 subsections (b) and (c).

8 (b) (1) The board of any district that adopts a local option budget  
9 under subsection (a) may increase the amount of such budget in each  
10 school year, ~~commencing with the 1997-98 school year~~, in an amount  
11 which together with the percentage of the amount of state financial aid  
12 budgeted under subsection (a) does not exceed the state prescribed per-  
13 centage of the amount of state financial aid determined for the district in  
14 the school year if the board of the district determines that an increase in  
15 such budget would be in the best interests of the district.

16 (2) No district may increase a local option budget under authority of  
17 this subsection until: (A) A resolution authorizing such an increase is  
18 passed by the board and published once in a newspaper having general  
19 circulation in the district; or (B) the question of whether the board shall  
20 be authorized to increase the local option budget has been submitted to  
21 and approved by the qualified electors of the district at a special election  
22 called for the purpose. Any such election shall be noticed, called and held  
23 in the manner provided by K.S.A. 10-120, and amendments thereto, for  
24 the noticing, calling and holding of elections upon the question of issuing  
25 bonds under the general bond law. The notice of such election shall state  
26 the purpose for and time of the election, and the ballot shall be designed  
27 with the question of whether the board of education of the district shall  
28 be continuously and permanently authorized to increase the local option  
29 budget of the district in each school year by a percentage which together  
30 with the percentage of the amount of state financial aid budgeted under  
31 subsection (a) does not exceed the state prescribed percentage in any  
32 school year. If a majority of the qualified electors voting at the election  
33 approve authorization of the board to increase the local option budget,  
34 the board shall have such authority. If a majority of the qualified electors  
35 voting at the election are opposed to authorization of the board to increase  
36 the local option budget, the board shall not have such authority and no  
37 like question shall be submitted to the qualified electors of the district  
38 within the nine months following the election.

39 (3) (A) Subject to the provisions of subpart (B), a resolution author-  
40 izing an increase in the local option budget of a district shall state that  
41 the board of education of the district shall be authorized to increase the  
42 local option budget of the district in each school year in an amount not  
43 to exceed \_\_\_\_\_% of the amount of state financial aid determined

1 for the current school year and that the percentage of increase may be  
2 reduced so that the sum of the percentage of the amount of state financial  
3 aid budgeted under subsection (a) and the percentage of increase spec-  
4 ified in the resolution does not exceed the state prescribed percentage in  
5 any school year. The blank preceding the percentage symbol shall be filled  
6 with a specific number. No word shall be inserted in the blank. The  
7 resolution shall specify a definite period of time for which the board shall  
8 be authorized to increase the local option budget and such period of time  
9 shall be expressed by the specific number of school years for which the  
10 board shall retain its authority to increase the local option budget. No  
11 word shall be used to express the number of years for which the board  
12 shall be authorized to increase the local option budget.

13 (B) In lieu of the requirements of subpart (A) and at the discretion  
14 of the board, a resolution authorizing an increase in the local option  
15 budget of a district may state that the board of education of the district  
16 shall be continuously and permanently authorized to increase the local  
17 option budget of the district in each school year by a percentage which  
18 together with the percentage of the amount of state financial aid budgeted  
19 under subsection (a) does not exceed the state prescribed percentage in  
20 any school year.

21 (4) A resolution authorizing an increase in the local option budget of  
22 a district shall state that the amount of the local option budget may be  
23 increased as authorized by the resolution unless a petition in opposition  
24 to such increase, signed by not less than 5% of the qualified electors of  
25 the school district, is filed with the county election officer of the home  
26 county of the school district within 30 days after publication. If no petition  
27 is filed in accordance with the provisions of the resolution, the board is  
28 authorized to increase the local option budget of the district. If a petition  
29 is filed as provided in the resolution, the board may notify the county  
30 election officer of the date of an election to be held to submit the question  
31 of whether the board shall be authorized to increase the local option  
32 budget of the district. If the board fails to notify the county election officer  
33 within 30 days after a petition is filed, the resolution shall be deemed  
34 abandoned and no like resolution shall be adopted by the board within  
35 the nine months following publication of the resolution.

36 (5) The requirements of provision (2) do not apply to any district that  
37 is continuously and permanently authorized to increase the local option  
38 budget of the district. An increase in the amount of a local option budget  
39 by such a district shall require a majority vote of the members of the  
40 board and shall require no other procedure, authorization or approval.

41 (6) If any district is authorized to increase a local option budget, but  
42 the board of such district chooses, in any school year, not to adopt or  
43 increase such budget or chooses, in any school year, to adopt or increase



1 such budget in an amount less than the amount authorized, such board  
2 of education may so choose. If the board of any district refrains from  
3 adopting or increasing a local option budget in any one or more school  
4 years or refrains from budgeting the total amount authorized for any one  
5 or more school years, the amount authorized to be budgeted in any suc-  
6 ceeding school year shall not be increased by such refrainment, nor shall  
7 the authority of the district to increase its local option budget be extended  
8 by such refrainment beyond the period of time specified in the resolution  
9 authorizing an increase in the local option budget if the resolution spec-  
10 ified such a period of time.

11 (7) Whenever an initial resolution has been adopted under this sub-  
12 section, and such resolution specified a percentage which together with  
13 the percentage of the amount of state financial aid budgeted under sub-  
14 section (a) is less than the state prescribed percentage, the board of the  
15 district may adopt one or more subsequent resolutions under the same  
16 procedure as provided for the initial resolution and shall be authorized  
17 to increase the percentage as specified in any such subsequent resolution.  
18 If the initial resolution specified a definite period of time for which the  
19 district is authorized to increase its local option budget, the authority to  
20 increase such budget by the percentage specified in any subsequent res-  
21 olution shall be limited to the remainder of the period of time specified  
22 in the initial resolution. Any percentage specified in a subsequent reso-  
23 lution or in subsequent resolutions shall be limited so that the sum of the  
24 percentage authorized in the initial resolution and the percentage au-  
25 thorized in the subsequent resolution or in subsequent resolutions to-  
26 gether with the percentage of the amount of state financial aid budgeted  
27 under subsection (a) is not in excess of the state prescribed percentage  
28 in any school year.

29 (8) (A) Subject to the provisions of subpart (B), the board of any  
30 district that has adopted a local option budget under subsection (a), has  
31 been authorized to increase such budget under a resolution which spec-  
32 ified a definite period of time for retention of such authorization, and has  
33 levied a tax under authority of K.S.A. 72-6435, and amendments thereto,  
34 may initiate, at any time after the final levy is certified to the county clerk  
35 under any current authorization, procedures to renew the authority to  
36 increase the local option budget subject to the conditions and in the  
37 manner specified in provisions (2) and (3) of this subsection.

38 (B) The provisions of subpart (A) do not apply to the board of any  
39 district that is continuously and permanently authorized to increase the  
40 local option budget of the district.

41 (9) As used in this subsection:

42 (A) "Authorized to increase a local option budget" means either that  
43 a district has held a special election under provision (2)(B) by which au-

1 thority of the board to increase a local option budget was approved, or  
2 that a district has adopted a resolution under provision (2) (A), has pub-  
3 lished the same, and either that the resolution was not protested or that  
4 it was protested and an election was held by which the authority of the  
5 board to increase a local option budget was approved.

6 (B) "State prescribed percentage" means ~~25%~~ 30%.

7 (c) To the extent the provisions of the foregoing subsections conflict  
8 with this subsection, this subsection shall control. Any district that is au-  
9 thorized to adopt a local option budget in the 1997-98 school year under  
10 a resolution which authorized the adoption of such budget in accordance  
11 with the provisions of this section prior to its amendment by this act may  
12 continue to operate under such resolution for the period of time specified  
13 in the resolution or may abandon the resolution and operate under the  
14 provisions of this section as amended by this act. Any such district shall  
15 operate under the provisions of this section as amended by this act after  
16 the period of time specified in the resolution has expired.

17 (d) (1) There is hereby established in every district that adopts a local  
18 option budget a fund which shall be called the supplemental general fund.  
19 The fund shall consist of all amounts deposited therein or credited thereto  
20 according to law.

21 (2) Subject to the limitation imposed under provision (3), amounts in  
22 the supplemental general fund may be expended for any purpose for  
23 which expenditures from the general fund are authorized or may be trans-  
24 ferred to the general fund of the district or to any program weighted fund  
25 or categorical fund of the district.

26 (3) Amounts in the supplemental general fund may not be expended  
27 nor transferred to the general fund of the district for the purpose of  
28 making payments under any lease-purchase agreement involving the ac-  
29 quisition of land or buildings which is entered into pursuant to the pro-  
30 visions of K.S.A. 72-8225, and amendments thereto.

31 (4) Any unexpended and unencumbered cash balance remaining in  
32 the supplemental general fund of a district at the conclusion of any school  
33 year in which a local option budget is adopted shall be disposed of as  
34 provided in this subsection. If the district did not receive supplemental  
35 general state aid in the school year and the board of the district deter-  
36 mines that it will be necessary to adopt a local option budget in the en-  
37 suing school year, the total amount of the cash balance remaining in the  
38 supplemental general fund shall be maintained in such fund or trans-  
39 ferred to the general fund of the district. If the board of such a district  
40 determines that it will not be necessary to adopt a local option budget in  
41 the ensuing school year, the total amount of the cash balance remaining  
42 in the supplemental general fund shall be transferred to the general fund  
43 of the district. If the district received supplemental general state aid in

1 the school year, transferred or expended the entire amount budgeted in  
2 the local option budget for the school year, and determines that it will be  
3 necessary to adopt a local option budget in the ensuing school year, the  
4 total amount of the cash balance remaining in the supplemental general  
5 fund shall be maintained in such fund or transferred to the general fund  
6 of the district. If such a district determines that it will not be necessary  
7 to adopt a local option budget in the ensuing school year, the total amount  
8 of the cash balance remaining in the supplemental general fund shall be  
9 transferred to the general fund of the district. If the district received  
10 supplemental general state aid in the school year, did not transfer or  
11 expend the entire amount budgeted in the local option budget for the  
12 school year, and determines that it will not be necessary to adopt a local  
13 option budget in the ensuing school year, the total amount of the cash  
14 balance remaining in the supplemental general fund shall be transferred  
15 to the general fund of the district. If the district received supplemental  
16 general state aid in the school year, did not transfer or expend the entire  
17 amount budgeted in the local option budget for the school year, and  
18 determines that it will be necessary to adopt a local option budget in the  
19 ensuing school year, the state board shall determine the ratio of the  
20 amount of supplemental general state aid received to the amount of the  
21 local option budget of the district for the school year and multiply the  
22 total amount of the cash balance remaining in the supplemental general  
23 fund by such ratio. An amount equal to the amount of the product shall  
24 be transferred to the general fund of the district. The amount remaining  
25 in the supplemental general fund may be maintained in such fund or  
26 transferred to the general fund of the district.

27 Sec. 3. K.S.A. 2000 Supp. 72-6410 and 72-6433 are hereby repealed.

28 Sec. 4. This act shall take effect and be in force from and after its  
29 publication in the statute book.

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