

3
4 **SENATE BILL No. 483**

5
6 By Legislative Educational Planning Committee

7
8 1-31

9
10 AN ACT concerning school districts; relating to reimbursements for the
11 provision of special education and related services; amending K.S.A.
12 2001 Supp. 72-978 and ~~repealing the existing section. **72-6433 and**~~
13 **repealing the existing sections.**

14
15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 2001 Supp. 72-978 is hereby amended to read as
17 follows: 72-978. (a) (1) In each school year, in accordance with appropri-
18 ations for special education and related services provided under this act,
19 each school district which has provided special education and related
20 services in compliance with the provisions of this act shall be entitled to
21 receive:

22 (A) Reimbursement for actual travel allowances paid to special teach-
23 ers at not to exceed the rate specified under K.S.A. 75-3203, and amend-
24 ments thereto, for each mile actually traveled during the school year in
25 connection with duties in providing special education or related services
26 for exceptional children; such reimbursement shall be computed by the
27 state board by ascertaining the actual travel allowances paid to special
28 teachers by the school district for the school year and shall be in an
29 amount equal to 80% of such actual travel allowances;

30 (B) reimbursement in an amount equal to 80% of the actual travel
31 expenses incurred for providing transportation for exceptional children to
32 special education or related services; such reimbursement shall not be
33 paid if such child has been counted in determining the transportation
34 weighting of the district under the provisions of the school district finance
35 and quality performance act;

36 (C) reimbursement in an amount equal to 80% of the actual expenses
37 incurred for the maintenance of an exceptional child at some place other
38 than the residence of such child for the purpose of providing special
39 education or related services; such reimbursement shall not exceed \$600
40 per exceptional child per school year; and

41 (D) *except for those school districts entitled to receive reimbursement*
42 *under subsection (b) or (c), after subtracting the amounts of reimburse-*
43 *ment under ~~(A), (B) and (C)~~ paragraphs (A), (B) and (C) of this subsection*

1 (a) from the total amount appropriated for special education and related
2 services under this act, an amount which bears the same proportion to
3 the remaining amount appropriated as the number of full-time equivalent
4 special teachers who are qualified to provide special education or related
5 services to exceptional children and are employed by the school district
6 for approved special education or related services bears to the total num-
7 ber of such qualified full-time equivalent special teachers employed by
8 all school districts for approved special education or related services.

9 (2) Each special teacher who is qualified to assist in the provision of
10 special education or related services to exceptional children shall be
11 counted as $\frac{2}{3}$ full-time equivalent special teacher who is qualified to pro-
12 vide special education or related services to exceptional children.

13 (b) *Each school district which has paid amounts for the provision of*
14 *special education and related services under an interlocal agreement shall*
15 *be entitled to receive reimbursement under subsection (a)(1)(D). The*
16 *amount of such reimbursement for the district shall be the amount which*
17 *bears the same relation to the aggregate amount available for reimburse-*
18 *ment for the provision of special education and related services under the*
19 *interlocal agreement, as the amount paid by such district in the current*
20 *school year for provision of such special education and related services*
21 *bears to the aggregate of all amounts paid by all school districts in the*
22 *current school year who have entered into such interlocal agreement for*
23 *provision of such special education and related services.*

24 (c) *Each contracting school district which has paid amounts for the*
25 *provision of special education and related services as a member of a co-*
26 *operative shall be entitled to receive reimbursement under subsection*
27 *(a)(1)(D). The amount of such reimbursement for the district shall be the*
28 *amount which bears the same relation to the aggregate amount available*
29 *for reimbursement for the provision of special education and related serv-*
30 *ices by the cooperative, as the amount paid by such district in the current*
31 *school year for provision of such special education and related services*
32 *bears to the aggregate of all amounts paid by all contracting school dis-*
33 *tricts in the current school year by such cooperative for provision of such*
34 *special education and related services.*

35 ~~(b)~~ (d) No time spent by a special teacher in connection with duties
36 performed under a contract entered into by the Atchison juvenile cor-
37 rectional facility, the Beloit juvenile correctional facility, the Larned ju-
38 venile correctional facility, or the Topeka juvenile correctional facility and
39 a school district for the provision of special education services by such
40 state institution shall be counted in making computations under this
41 section.

42 ~~Sec. 2. K.S.A. 2001 Supp. 72-978 is hereby repealed.~~
43 **Sec. 2. K.S.A. 2001 Supp. 72-6433 is hereby amended to read as**

1 follows: 72-6433. (a) (1) *The board of any district may adopt a local*
2 *option budget in each school year, commencing with the 1997-98*
3 *school year, in an amount not to exceed an amount equal to the dis-*
4 *trict prescribed percentage of the amount of state financial aid de-*
5 *termined for the district in the school year. As used in this provision*
6 *the term section, “district prescribed percentage” means:*

7 (A) *For any district that was authorized to adopt and that*
8 *adopted a local option budget in the 1996-97 school year and to*
9 *which the provisions of K.S.A. 2001 Supp. 72-6444, and amend-*
10 *ments thereto, do not apply in the current school year, a percentage*
11 *in the 1997-98 school year that is equal to the percentage specified in the*
12 *resolution under which the district was authorized to adopt a local option*
13 *budget in the 1996-97 school year, in the 1998-99 school year, a per-*
14 *centage that is equal to 95% of the percentage specified in the resolution*
15 *under which the district was authorized to adopt a local option budget in*
16 *the 1996-97 school year, in the 1999-2000 school year, a percentage that*
17 *is equal to 90% of the percentage specified in the resolution under which*
18 *the district was authorized to adopt a local option budget in the 1996-97*
19 *school year, in the 2000-01 school year, a percentage that is equal to 85%*
20 *of the percentage specified in the resolution under which the district was*
21 *authorized to adopt a local option budget in the 1996-97 school year, in*
22 *the 2001-02 school year and in each school year thereafter, a per-*
23 *centage that is equal to 80% of the percentage specified in the res-*
24 *olution under which the district was authorized to adopt a local*
25 *option budget in the 1996-97 school year;*

26 (B) *for any district that was authorized to adopt and that*
27 *adopted a local option budget in the 1996-97 school year and to*
28 *which the provisions of K.S.A. 2001 Supp. 72-6444, and amend-*
29 *ments thereto, apply in the current school year, a percentage in the*
30 *1997-98 school year that is equal to the sum of the percentage of the*
31 *amount of state financial aid the district was authorized to budget in the*
32 *preceding school year and 20% of the percentage computed for the dis-*
33 *trict by the state board under the provisions of K.S.A. 2001 Supp. 72-*
34 *6444, and amendments thereto, a percentage in the 1998-99 school year*
35 *that is equal to the sum of the percentage of the amount of state financial*
36 *aid the district was authorized to budget in the preceding school year and*
37 *40% of the percentage computed for the district by the state board under*
38 *the provisions of K.S.A. 2001 Supp. 72-6444, and amendments thereto,*
39 *a percentage in the 1999-2000 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 60% of the percentage com-*
42 *puted for the district by the state board under the provisions of K.S.A.*
43 *2001 Supp. 72-6444, and amendments thereto, a percentage in the 2000-*

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

11 **(C) for any district that was not authorized to adopt a local**
12 **option budget in the 1996-97 school year and to which the provi-**
13 **sions of K.S.A. 2001 Supp. 72-6444, and amendments thereto, apply**
14 **in the current school year, a percentage in the 1997-98 school year that**
15 **is equal to 20% of the percentage computed for the district by the state**
16 **board under the provisions of K.S.A. 2001 Supp. 72-6444, and amend-**
17 **ments thereto, a percentage in the 1998-99 school year that is equal to**
18 **the sum of the percentage of the amount of state financial aid the district**
19 **was authorized to budget in the preceding school year and 40% of the**
20 **percentage computed for the district by the state board under the provi-**
21 **sions of K.S.A. 2001 Supp. 72-6444, and amendments thereto, a percen-**
22 **tage in the 1999-2000 school year that is equal to the sum of the**
23 **percentage of the amount of state financial aid the district was authorized**
24 **to budget in the preceding school year and 60% of the percentage com-**
25 **puted for the district by the state board under the provisions of K.S.A.**
26 **2001 Supp. 72-6444, and amendments thereto, a percentage in the 2000-**
27 **01 school year that is equal to the sum of the percentage of the amount**
28 **of state financial aid the district was authorized to budget in the preceding**
29 **school year and 80% of the percentage computed for the district by the**
30 **state board under the provisions of K.S.A. 2001 Supp. 72-6444, and**
31 **amendments thereto; a percentage in the 2001-02 school year and**
32 **each school year thereafter that is equal to the sum of the percent-**
33 **age of the amount of state financial aid the district was authorized**
34 **to budget in the preceding school year and the percentage computed**
35 **for the district by the state board under the provisions of K.S.A.**
36 **2001 Supp. 72-6444, and amendments thereto;**

37 **(D) for any district to which the provisions of K.S.A. 2001 Supp.**
38 **72-6444, and amendments thereto, applied in the 1997-98 school**
39 **year and to which the provisions of K.S.A. 2001 Supp. 72-6444, and**
40 **amendments thereto, do not apply in the current school year, com-**
41 **mencing with the 1998-99 school year, because an increase in the**
42 **amount budgeted by the district in its local option budget as au-**
43 **thorized by a resolution adopted under the provisions of subsection**

1 *(b) causes the actual amount per pupil budgeted by the district in*
2 *the preceding school year as determined for the district under pro-*
3 *vision (1) of subsection (a) of K.S.A. 2001 Supp. 72-6444, and*
4 *amendments thereto, to equal or exceed the average amount per*
5 *pupil of general fund budgets and local option budgets computed*
6 *by the state board under whichever of the provisions (7) through*
7 *(10) of subsection (a) of K.S.A. 2001 Supp. 72-6444, and amend-*
8 *ments thereto, is applicable to the district's enrollment group, a*
9 *percentage that is equal to the percentage of the amount of state*
10 *financial aid the district was authorized to budget in the preceding*
11 *school year if the resolution authorized the district to increase its*
12 *local option budget on a continuous and permanent basis. If the*
13 *resolution that authorized the district to increase its local option*
14 *budget specified a definite period of time for which the district*
15 *would retain its authority to increase the local option budget and*
16 *such authority lapses at the conclusion of such period and is not*
17 *renewed, the term district prescribed percentage means a percent-*
18 *age that is equal to the percentage of the amount of state financial*
19 *aid the district was authorized to budget in the preceding school*
20 *year less the percentage of increase that was authorized by the res-*
21 *olution unless the loss of the percentage of increase that was au-*
22 *thorized by the resolution would cause the actual amount per pupil*
23 *budgeted by the district to be less than the average amount per*
24 *pupil of general fund budgets and local option budgets computed*
25 *by the state board under whichever of the provisions (7) through*
26 *(10) of subsection (a) of K.S.A. 2001 Supp. 72-6444, and amend-*
27 *ments thereto, is applicable to the district's enrollment group, in*
28 *which case, the term district prescribed percentage means a per-*
29 *centage that is equal to the percentage of the amount of state finan-*
30 *cial aid the district was authorized to budget in the preceding school*
31 *year less the percentage of increase that was authorized by the res-*
32 *olution plus a percentage which shall be computed for the district*
33 *by the state board in accordance with the provisions of K.S.A. 2001*
34 *Supp. 72-6444, and amendments thereto, except that, in making the*
35 *determination of the actual amount per pupil budgeted by the dis-*
36 *trict in the preceding school year, the state board shall exclude the*
37 *percentage of increase that was authorized by the resolution.*

38 *(2) (A) Subject to the provisions of subpart (B), the adoption*
39 *of a local option budget under authority of this subsection shall*
40 *require a majority vote of the members of the board and shall re-*
41 *quire no other procedure, authorization or approval.*

42 *(B) In lieu of utilizing the authority granted by subpart (A) for*
43 *adoption of a local option budget, the board of a district may pass*

1 *a resolution authorizing adoption of such a budget and publish such*
2 *resolution once in a newspaper having general circulation in the*
3 *district. The resolution shall be published in substantial compliance*
4 *with the following form:*

5 *Unified School District No. _____*
6 *_____ County, Kansas.*

7 **RESOLUTION**

8 *Be It Resolved that:*

9 *The board of education of the above-named school district shall be authorized to*
10 *adopt a local option budget in each school year for a period of time not to exceed _*
11 *years in an amount not to exceed _____% of the amount of state financial aid deter-*
12 *mined for the current school year. The local option budget authorized by this reso-*
13 *lution may be adopted, unless a petition in opposition to the same, signed by not less*
14 *than 5% of the qualified electors of the school district, is filed with the county election*
15 *officer of the home county of the school district within 30 days after publication of*
16 *this resolution. In the event a petition is filed, the county election officer shall submit*
17 *the question of whether adoption of the local option budget shall be authorized to*
18 *the electors of the school district at an election called for the purpose or at the next*
19 *general election, as is specified by the board of education of the school district.*

20 **CERTIFICATE**

21 *This is to certify that the above resolution was duly adopted by the board of*
22 *education of Unified School District No. _____, _____ County, Kansas,*
23 *on the _____ day of _____, 19 _____.*

24 _____
25 *Clerk of the board of education.*

26 *All of the blanks in the resolution shall be appropriately filled.*
27 *The blank preceding the word “years” shall be filled with a specific*
28 *number, and the blank preceding the percentage symbol shall be*
29 *filled with a specific number. No word shall be inserted in either of*
30 *the blanks. The percentage specified in the resolution shall not ex-*
31 *ceed the district prescribed percentage. The resolution shall be pub-*
32 *lished once in a newspaper having general circulation in the school*
33 *district. If no petition as specified above is filed in accordance with*
34 *the provisions of the resolution, the board may adopt a local option*
35 *budget. If a petition is filed as provided in the resolution, the board*
36 *may notify the county election officer of the date of an election to*
37 *be held to submit the question of whether adoption of a local option*
38 *budget shall be authorized. If the board fails to notify the county*
39 *election officer within 30 days after a petition is filed, the resolution*
40 *shall be deemed abandoned and no like resolution shall be adopted*
41 *by the board within the nine months following publication of the*
42 *resolution. If any district is authorized to adopt a local option*
43 *budget under this subpart, but the board of such district chooses,*

1 *in any school year, not to adopt such a budget or chooses, in any*
2 *school year, to adopt such budget in an amount less than the amount*
3 *of the district prescribed percentage of the amount of state financial*
4 *aid in any school year, such board of education may so choose. If*
5 *the board of any district refrains from adopting a local option*
6 *budget in any one or more school years or refrains from budgeting*
7 *the total amount authorized for any one or more school years, the*
8 *authority of such district to adopt a local option budget shall not*
9 *be extended by such refrainment beyond the period specified in the*
10 *resolution authorizing adoption of such budget, nor shall the*
11 *amount authorized to be budgeted in any succeeding school year*
12 *be increased by such refrainment. Whenever an initial resolution*
13 *has been adopted under this subpart, and such resolution specified*
14 *a lesser percentage than the district prescribed percentage, the*
15 *board of the district may adopt one or more subsequent resolutions*
16 *under the same procedure as provided for the initial resolution and*
17 *subject to the same conditions, and shall be authorized to increase*
18 *the percentage as specified in any such subsequent resolution for*
19 *the remainder of the period of time specified in the initial resolution.*
20 *Any percentage specified in a subsequent resolution or in subse-*
21 *quent resolutions shall be limited so that the sum of the percentage*
22 *authorized in the initial resolution and the percentage authorized*
23 *in the subsequent resolution or in subsequent resolutions is not in*
24 *excess of the district prescribed percentage in any school year. The*
25 *board of any district that has been authorized to adopt a local op-*
26 *tion budget under this subpart and levied a tax under authority of*
27 *K.S.A. 72-6435, and amendments thereto, may initiate, at any time*
28 *after the final levy is certified to the county clerk under any current*
29 *authorization, procedures to renew its authority to adopt a local*
30 *option budget in the manner specified in this subpart or may utilize*
31 *the authority granted by subpart (A). As used in this subpart, the*
32 *term “authorized to adopt a local option budget” means that a dis-*
33 *trict has adopted a resolution under this subpart, has published the*
34 *same, and either that the resolution was not protested or that it was*
35 *protested and an election was held by which the adoption of a local*
36 *option budget was approved.*

37 *(3) The provisions of this subsection are subject to the provi-*
38 *sions of subsections (b) and (c).*

39 *(b) The provisions of this subsection (b) shall be subject to the pro-*
40 *visions of section 3, and amendments thereto.*

41 *(1) The board of any district that adopts a local option budget*
42 *under subsection (a) may increase the amount of such budget in*
43 *each school year, commencing with the 1997-98 school year, in an*

1 *amount which together with the percentage of the amount of state*
2 *financial aid budgeted under subsection (a) does not exceed the*
3 *state prescribed percentage of the amount of state financial aid de-*
4 *termined for the district in the school year if the board of the district*
5 *determines that an increase in such budget would be in the best*
6 *interests of the district.*

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

32 (3) (A) *Subject to the provisions of subpart (B), a resolution*
33 *authorizing an increase in the local option budget of a district shall*
34 *state that the board of education of the district shall be authorized*
35 *to increase the local option budget of the district in each school*
36 *year in an amount not to exceed ____% of the amount of state finan-*
37 *cial aid determined for the current school year and that the per-*
38 *centage of increase may be reduced so that the sum of the percent-*
39 *age of the amount of state financial aid budgeted under subsection*
40 *(a) and the percentage of increase specified in the resolution does*
41 *not exceed the state prescribed percentage in any school year. The*
42 *blank preceding the percentage symbol shall be filled with a specific*
43 *number. No word shall be inserted in the blank. The resolution shall*

1 *specify a definite period of time for which the board shall be au-*
2 *thorized to increase the local option budget and such period of time*
3 *shall be expressed by the specific number of school years for which*
4 *the board shall retain its authority to increase the local option*
5 *budget. No word shall be used to express the number of years for*
6 *which the board shall be authorized to increase the local option*
7 *budget.*

8 *(B) In lieu of the requirements of subpart (A) and at the discre-*
9 *tion of the board, a resolution authorizing an increase in the local*
10 *option budget of a district may state that the board of education of*
11 *the district shall be continuously and permanently authorized to*
12 *increase the local option budget of the district in each school year*
13 *by a percentage which together with the percentage of the amount*
14 *of state financial aid budgeted under subsection (a) does not exceed*
15 *the state prescribed percentage in any school year.*

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

33 *(5) The requirements of provision (2) do not apply to any dis-*
34 *trict that is continuously and permanently authorized to increase*
35 *the local option budget of the district. An increase in the amount of*
36 *a local option budget by such a district shall require a majority*
37 *vote of the members of the board and shall require no other pro-*
38 *cedure, authorization or approval.*

39 *(6) If any district is authorized to increase a local option*
40 *budget, but the board of such district chooses, in any school year,*
41 *not to adopt or increase such budget or chooses, in any school year,*
42 *to adopt or increase such budget in an amount less than the amount*
43 *authorized, such board of education may so choose. If the board of*

1 *any district refrains from adopting or increasing a local option*
2 *budget in any one or more school years or refrains from budgeting*
3 *the total amount authorized for any one or more school years, the*
4 *amount authorized to be budgeted in any succeeding school year*
5 *shall not be increased by such refrainment, nor shall the authority*
6 *of the district to increase its local option budget be extended by*
7 *such refrainment beyond the period of time specified in the reso-*
8 *lution authorizing an increase in the local option budget if the reso-*
9 *lution specified such a period of time.*

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

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

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

42 (9) *As used in this subsection:*

43 (A) *“Authorized to increase a local option budget” means either*

1 *that a district has held a special election under provision (2)(B) by*
2 *which authority of the board to increase a local option budget was*
3 *approved, or that a district has adopted a resolution under provi-*
4 *sion (2) (A), has published the same, and either that the resolution*
5 *was not protested or that it was protested and an election was held*
6 *by which the authority of the board to increase a local option*
7 *budget was approved.*

8 (B) “State prescribed percentage” means 25%.

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

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

24 (2) *Subject to the limitation imposed under provision (3),*
25 *amounts in the supplemental general fund may be expended for any*
26 *purpose for which expenditures from the general fund are author-*
27 *ized or may be transferred to the general fund of the district or to*
28 *any program weighted fund or categorical fund of the district.*

29 (3) *Amounts in the supplemental general fund may not be ex-*
30 *pended nor transferred to the general fund of the district for the*
31 *purpose of making payments under any lease-purchase agreement*
32 *involving the acquisition of land or buildings which is entered into*
33 *pursuant to the provisions of K.S.A. 72-8225, and amendments*
34 *thereto.*

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

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

34 *New Sec. 3. (a) As used in this section, “school district” means*
35 *a school district which was the sponsoring school district of a spe-*
36 *cial education cooperative during school year 2001-2002 and which*
37 *school district adopted a local option budget in an amount which*
38 *equals the maximum state prescribed percentage for school year*
39 *2001-2002 and the next succeeding two school years.*

40 *(b) The maximum amount of a local option budget of a school*
41 *district for school year 2002-2003, shall be determined by the state*
42 *board as follows:*

43 *(1) Determine the amount of the local option budget of the*

1 *school district under K.S.A. 72-6433, and amendments thereto, for*
2 *school year 2001-2002, and subtract the amount of the local option*
3 *budget of such district under K.S.A. 72-6433, and amendments*
4 *thereto, for school year 2002-2003.*

5 (2) *If the difference obtained under paragraph (1) is one or*
6 *more, multiply the difference by $\frac{2}{3}$ and add the product to the max-*
7 *imum amount of the local option budget of the school district under*
8 *K.S.A. 72-6433, and amendments thereto. The sum shall be the max-*
9 *imum amount of the local option budget of the district for school*
10 *year 2002-2003.*

11 (3) *If the difference obtained under paragraph (1) is zero or less,*
12 *the maximum amount of the local option budget of the district for*
13 *school year 2002-2003, shall be the maximum amount allowed un-*
14 *der K.S.A. 72-6433, and amendments thereto.*

15 (c) *The maximum amount of a local option budget of a school*
16 *district for school year 2003-2004, shall be determined by the state*
17 *board as follows:*

18 (1) *Determine the amount of the local option budget of the*
19 *school district under K.S.A. 72-6433, and amendments thereto, for*
20 *school year 2001-2002, and subtract the amount of the local option*
21 *budget of such district under K.S.A. 72-6433, and amendments*
22 *thereto, for school year 2003-2004.*

23 (2) *If the difference obtained under paragraph (1) is one or*
24 *more, multiply the difference by $\frac{1}{3}$ and add the product to the max-*
25 *imum amount of the local option budget of the school district under*
26 *K.S.A. 72-6433, and amendments thereto. The sum shall be the max-*
27 *imum amount of the local option budget of the district for school*
28 *year 2003-2004.*

29 (3) *If the difference obtained under paragraph (1) is zero or less,*
30 *the maximum amount of the local option budget of the district for*
31 *school year 2003-2004, shall be the maximum amount allowed un-*
32 *der K.S.A. 72-6433, and amendments thereto.*

33 **Sec. 4. K.S.A. 2001 Supp. 72-978 and 72-6433 are hereby re-**
34 **pealed.**

35 **Sec. ~~3~~ 5.** This act shall take effect and be in force from and after its
36 publication in the Kansas register.

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