

[As Amended by House Committee of the Whole]

Session of 2004

Substitute for HOUSE BILL No. 2807

By Committee on Education

2-25

10 AN ACT relating to school finance; making certain appropriations there-
11 for; amending K.S.A. 72-979, 72-6405, 72-6408, 72-6441, 72-8187, 72-
12 8190 and 79-5105 and K.S.A. 2003 Supp. 10-1116a, 72-6407, 72-6417,
13 72-6428, 72-6431, 72-8251 and 79-201x and repealing the existing sec-
14 tions; also repealing K.S.A. 72-6410, 72-6411, 72-6412, 72-6413, 72-
15 6414, 72-6415, 72-6416, 72-6421, 72-6422, 72-6433, 72-6433b, 72-
16 6435, 72-6442, 72-6443, 72-6444 and 72-9509 and K.S.A. 2003 Supp.
17 72-6425, 72-6434, 72-9609 and 79-201y.

18

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

20 New Section 1. As used in this act:

21 (a) “Base year” means the 2004-2005 school year.

22 (b) “Budget authority” means the initial budget amount for the 2004-
23 05 school year; for subsequent years the base budget authority is estab-
24 lished as follows:

25 (1) The state average assessed valuation per pupil factor times the
26 current mill levy times enrollment, plus

27 (2) budget authority hold harmless.

28 (c) “Budget authority hold harmless” means a positive amount which
29 is the initial budget less the 2004-05 state average assessed valuation per
30 pupil factor times the initial levy times enrollment for the 2004-05 school
31 year, and this amount shall be used for the 2004-05 school year and all
32 subsequent years.

33 (d) “Changes to the initial levy” means the difference between a dis-
34 trict’s current mill levy and the initial mill levy.

35 (e) “Current mill levy” means the tax rate assessed for school district
36 operating purposes for the current school year, excluding the levy au-
37 thorized by K.S.A. 72-6441, and amendments thereto.

38 (f) “District assessed valuation per pupil” means the assessed valua-
39 tion of the school district [**for the prior calendar year, based on the**
40 **exemption pursuant to K.S.A. 79-201y, and amendments thereto,**]
41 divided by enrollment.

42 (g) “District average assessed valuation per pupil” means the average
43 of the district assessed valuation per pupil for the four prior calendar

1 years.

2 (h) “Enrollment” means enrollment as defined by K.S.A. 2003 Supp.
3 72-6407 and amendments thereto.

4 (i) “Initial budget amount” means the weighted full-time equivalent
5 per pupil number for the 2003-2004 school year, adjusted for changes in
6 enrollment for the 2004-2005 school year times \$3,890 multiplied by the
7 sum of one plus the local option budget percentage for the ~~2003-2004~~
8 **[2004-2005]** school year **[that was authorized prior to the effective**
9 **date of this act and adopted by the school board for the 2004-2005**
10 **school year]** less the amount of special education **[and ancillary facil-**
11 **ities]** aid included.

12 (j) “Initial mill levy” means the sum of the levies for the general fund
13 and the supplemental general fund for the ~~2002-2003~~ **[2004-2005]**
14 school year **[based on the 20 mills previously specified in K.S.A. 72-**
15 **6431, and amendments thereto, and the local option budget levy**
16 **that would apply under the prior local option budget law using the**
17 **local option budget percentage adopted by the school board for**
18 **the 2004-2005 school year].**

19 (k) “Mathematics proficiency rate for a district” means the number
20 of students in a district meeting mathematics proficiency standards for
21 the preceding year as determined by the state board of education, divided
22 by the number of students tested in the district for the preceding year.

23 (l) “Mathematics proficiency rate for the state” means the average of
24 all mathematics proficiency rates for all districts for the preceding year
25 as determined by the state board of education.

26 (m) “Reading proficiency rate for a district” means the number of
27 students in a district meeting proficiency standards for the preceding year,
28 as determined by the state board of education, divided by the number of
29 students tested in the district for the preceding year.

30 (n) “Reading proficiency rate for the state” means the average of all
31 reading proficiency rates for all districts for the preceding year, as deter-
32 mined by the state board of education.

33 (o) “State aid hold harmless amount” means:

34 ~~—(1) Initial budget amount, less~~
35 ~~—(2) the 2003-04 assessed valuation times the combined general and~~
36 ~~supplemental general tax rates for the 2002-03 school year, less~~
37 ~~—(3) other general sources of revenue for the 2004-05 school year, less~~
38 ~~—(4) initial budget times the state assistance factor, [the 2004-2005~~
39 **school year general fund state aid less the initial budget amount**
40 **times the state assistance factor for the 2004-2005 school year,]**

41 and this amount shall be used for the 2004-05 school year and all sub-
42 sequent years.

43 (p) “State assessed valuation per pupil factor” means the resulting

1 value based upon the 95th percentile of district assessed valuation per
2 pupil amounts for each district in the state.

3 (q) “State assistance factor” means 100% minus the percentage de-
4 rived by dividing the district average assessed valuation per pupil by the
5 state average assessed valuation per pupil.

6 (r) “State average assessed valuation per pupil factor” means the
7 greater of the average of the state assessed valuation per pupil for the
8 four prior calendar years or the state average assessed valuation per pupil
9 factor used in the prior year.

10 New Sec. 2. ~~Prior~~ **[(a) Subject to the provisions of subsection (b),**
11 **prior]** to July 1, 2008, the budget authority of any school district cannot
12 increase more than 10% above the prior year amount plus the percentage
13 increase in enrollment. **[For the 2004-2005 school year, no district**
14 **shall increase its budget by an amount that is in excess of the av-**
15 **erage annual percentage increase in its budget for the three prior**
16 **school years.]**

17 **[(b) No school district may: (1) Increase the district’s ad valo-**
18 **rem property tax mill levy more than two mills above the number**
19 **of mills levied the prior year; or (2) increase by 5% or more the**
20 **prior year’s budget unless the school board passes a resolution and**
21 **publishes such resolution once in a newspaper having general cir-**
22 **culation in the district. The resolution shall be published in sub-**
23 **stantial compliance with the following form.**

24 **[(1) In the case of a mill levy increase, the form shall be:**

25 [Unified School District No. _____,

26 [_____ County, Kansas.

27 [RESOLUTION

28 [Be It Resolved that:

29 [The board of education of the above-named school district shall be authorized
30 to increase its mill levy over the prior year mill levy by ____ mills. The mill levy
31 increase authorized by this resolution may be adopted, unless a petition in oppo-
32 sition to the same, signed by not less than 5% of the qualified electors of the school
33 district, is filed with the county election officer of the home county of the school
34 district within 30 days after publication of this resolution. In the event a petition is
35 filed, the county election officer shall submit the question of whether the mill levy
36 increase shall be authorized to the electors of the school district at an election called
37 for the purpose or at the next general election, as is specified by the board of
38 education of the school district.

39 [CERTIFICATE

40 [This is to certify that the above resolution was duly adopted by the board
41 of education of Unified School District No. _____, _____ County,
42 Kansas, on the ____ day of _____, ____.

43

1 _____
2 [Clerk of the board of education.

3 **[(2) In the case of an increase of 5% or more over the prior**
4 **year’s budget, the form shall be:**

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
10 to increase its budget over the prior year’s budget by ____%. The budget increase
11 authorized by this resolution may be adopted, unless a petition in opposition to the
12 same, signed by not less than 5% of the qualified electors of the school district, is
13 filed with the county election officer of the home county of the school district within
14 30 days after publication of this resolution. In the event a petition is filed, the county
15 election officer shall submit the question of whether the increase shall be author-
16 ized to the electors of the school district at an election called for the purpose or at
17 the next general election, as is specified by the board of education of the school
18 district.

19 [CERTIFICATE

20 [This is to certify that the above resolution was duly adopted by the board
21 of education of Unified School District No. _____, _____ County, Kan-
22 sas, on the ____ day of _____, ____

23 _____
24 [Clerk of the board of education.

25 [In the case of an increase of less than 5% of the prior year’s
26 budget, the form in clause (1) shall be utilized and in the case of
27 an increase of more than 5%, the form in clause (2) shall be util-
28 ized.

29 [All of the blanks in the resolution shall be appropriately filled.
30 The blank preceding the word “mills” in clause (1) and the blank
31 preceding the word “by” in clause (2) shall be filled with a specific
32 number. If no petition as specified above is filed in accordance
33 with the provisions of the resolution, the board may levy the in-
34 crease specified in the resolution. If a petition is filed as provided
35 in the resolution, the board may notify the county election officer
36 of the date of an election to be held to submit the question of
37 whether the increase shall be authorized. If the board fails to no-
38 tify the county election officer within 30 days after a petition is
39 filed, the resolution shall be deemed abandoned and no like res-
40 olution shall be adopted by the board within the nine months fol-
41 lowing publication of the resolution. If the voters approve the in-
42 crease, the board may levy the increase specified in the resolution.]

43 New Sec. 3. (a) Subject to the provisions of subsections (b), (c) and

1 (d), the formula for general state aid for school districts is as follows:

2 For school year 2004-05 the formula is, the initial budget amount ~~times~~
3 ~~the state assistance factor plus the state aid hold harmless~~ **[less other**
4 **general fund revenues for the 2004-2005 school year]**; and for sub-
5 sequent years the formula is: **[A positive amount which is]** the state aid
6 hold harmless amount, plus [the budget authority hold harmless plus the
7 product of the state average assessed valuation per pupil factor times the
8 current levy times enrollment] multiplied by the state assistance factor.

9 (b) If a district's general fund balance exceeds 10% of the budgeted
10 expenditures for the succeeding year, the excess balance shall be sub-
11 tracted from the general state aid allocation for the subsequent year.

12 (c) If the appropriations in any year are insufficient to fund the for-
13 mula set forth in subsection (a), the distribution of the funds appropriated
14 shall be made in the following order:

15 (1) All school districts shall receive general state aid based upon the
16 prior year mill levy rates and prior year assessed valuation per pupil and
17 prorated if necessary;

18 (2) if the amount appropriated is more than sufficient to pay the full
19 general state aid pursuant to clause (1), then in lieu of clause (1) school
20 district shall receive general state aid pursuant to this clause (2) which
21 shall be based upon the prior year mill levy rate and the current year's
22 assessed valuation per pupil, and prorated if necessary; and

23 (3) if the amount appropriated is more than sufficient to pay in full
24 the general state aid pursuant to clause (2), then in lieu of clause (2)
25 school districts shall receive general state aid based upon the current year
26 mill levy rate and the current year's assessed valuation per pupil, and
27 prorated if necessary; however, if proration is necessary, school districts
28 shall utilize the prior year mill levy plus the increase in the proposed
29 current year mill levy rate times the proration percentage.

30 New Sec. 4. On July 1, 2004, any balances in a district's supplemental
31 general fund, bilingual education fund, vocational education fund and
32 professional development fund shall be transferred to the district's gen-
33 eral fund.

34 Sec. 5. K.S.A. 2003 Supp. 10-1116a is hereby amended to read as
35 follows: 10-1116a. The limitations on expenditures imposed under the
36 cash-basis law shall not apply to:

37 (a) Expenditures in excess of current revenues made for municipally
38 owned and operated utilities out of the fund of such utilities caused by,
39 or resulting from the meeting of, extraordinary emergencies including
40 drought emergencies. In such cases expenditures in excess of current
41 revenues may be made by declaring an extraordinary emergency by res-
42 olution adopted by the governing body and such resolution shall be pub-
43 lished at least once in a newspaper of general circulation in such city.

1 Thereupon, such governing body may issue interest bearing no-fund war-
2 rants on such utility fund in an amount, including outstanding previously
3 issued no-fund warrants, not to exceed 25% of the revenues from sales
4 of service of such utility for the preceding year. Such warrants shall be
5 redeemed within three years from date of issuance and shall bear interest
6 at a rate of not to exceed the maximum rate of interest prescribed by
7 K.S.A. 10-1009, and amendments thereto. Upon the declaration of a
8 drought emergency, the governing body may issue such warrants for wa-
9 ter system improvement purposes in an amount not to exceed 50% of the
10 revenue received from the sale of water for the preceding year. Such
11 warrants shall be redeemed within five years from the date of issuance
12 and shall bear interest at a rate not to exceed the maximum rate of interest
13 prescribed by K.S.A. 10-1009, and amendments thereto.

14 (b) Expenditures in any month by school districts which are in excess
15 of current revenues if the deficit or shortage in revenues is caused by, or
16 a result of, the payment of state aid after the date prescribed for the
17 payment of state aid during such month under K.S.A. 72-6417 or ~~72-6434~~
18 *section 3*, and amendments thereto.

19 The provisions of this subsection shall apply to expenditures made in
20 school year 2001-2002, school year 2002-2003, school year 2003-2004,
21 school year 2004-2005, school year 2005-2006 and school year 2006-2007.

22 Sec. 6. K.S.A. 72-979 is hereby amended to read as follows: 72-979.

23 (a) Payments under this act shall be made in the manner and at such
24 times during each school year as are determined by the state board. All
25 amounts received by a district under this section shall be deposited in ~~the~~
26 ~~general fund of the district and transferred to~~ its special education fund.
27 If any district is paid more than it is entitled to receive under any distri-
28 bution made under this act, the state board shall notify the district of the
29 amount of such overpayment, and such district shall remit the same to
30 the state board. The state board shall remit any moneys so received to
31 the state treasurer in accordance with the provisions of K.S.A. 75-4215,
32 and amendments thereto. Upon receipt of each such remittance, the state
33 treasurer shall deposit the entire amount in the state treasury to the credit
34 of the state general fund. If any such district fails so to remit, the state
35 board shall deduct the excess amounts so paid from future payments
36 becoming due to such district. If any district is paid less than the amount
37 to which it is entitled under any distribution made under this act, the
38 state board shall pay the additional amount due at any time within the
39 school year in which the underpayment was made or within 60 days after
40 the end of such school year.

41 (b) The state board shall prescribe all forms necessary for reporting
42 under this act.

43 (c) Every board shall make such periodic and special reports of in-

1 formation to the state board as it may request in order to carry out its
2 responsibilities under this act.

3 Sec. 7. K.S.A. 72-6405 is hereby amended to read as follows: 72-
4 6405. ~~(a) K.S.A. 72-6405 through 72-6440, and amendments thereto, The~~
5 ~~provisions of this act and the statutes contained in article 64 of chapter~~
6 ~~72 of the Kansas statutes annotated, and amendments thereto, shall be~~
7 ~~known and may be cited as the school district finance and quality per-~~
8 ~~formance Kansas equality for youth act.~~

9 ~~(b) The provisions of this section shall take effect and be in force~~
10 ~~from and after July 1, 1992.~~

11 Sec. 8. K.S.A. 2003 Supp. 72-6407 is hereby amended to read as
12 follows: 72-6407. (a) “Pupil” means any person who is regularly enrolled
13 in a district and attending kindergarten or any of the grades one through
14 12 maintained by the district or who is regularly enrolled in a district and
15 attending kindergarten or any of the grades one through 12 in another
16 district in accordance with an agreement entered into under authority of
17 K.S.A. 72-8233, and amendments thereto, or who is regularly enrolled in
18 a district and attending special education services provided for preschool-
19 aged exceptional children by the district. Except as otherwise provided
20 in this subsection, a pupil in attendance full time shall be counted as one
21 pupil. A pupil in attendance part time shall be counted as that proportion
22 of one pupil (to the nearest $\frac{1}{10}$) that the pupil’s attendance bears to full-
23 time attendance. A pupil attending kindergarten shall be counted as $\frac{1}{2}$
24 pupil. A pupil enrolled in and attending an institution of postsecondary
25 education which is authorized under the laws of this state to award aca-
26 demic degrees shall be counted as one pupil if the pupil’s postsecondary
27 education enrollment and attendance together with the pupil’s attend-
28 ance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time, otherwise the
29 pupil shall be counted as that proportion of one pupil (to the nearest $\frac{1}{10}$)
30 that the total time of the pupil’s postsecondary education attendance and
31 attendance in grade 11 or 12, as applicable, bears to full-time attendance.
32 A pupil enrolled in and attending an area vocational school, area voca-
33 tional-technical school or approved vocational education program shall be
34 counted as one pupil if the pupil’s vocational education enrollment and
35 attendance together with the pupil’s attendance in any of grades nine
36 through 12 is at least $\frac{5}{6}$ time, otherwise the pupil shall be counted as that
37 proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the
38 pupil’s vocational education attendance and attendance in any of grades
39 nine through 12 bears to full-time attendance. A pupil enrolled in a dis-
40 trict and attending special education and related services, except special
41 education and related services for preschool-aged exceptional children,
42 provided for by the district shall be counted as one pupil. A pupil enrolled
43 in a district and attending special education and related services for pre-

1 school-aged exceptional children provided for by the district shall be
2 counted as $\frac{1}{2}$ pupil. A preschool-aged at-risk pupil enrolled in a district
3 and receiving services under an approved at-risk pupil assistance plan
4 maintained by the district shall be counted as $\frac{1}{2}$ pupil. A pupil in the
5 custody of the secretary of social and rehabilitation services and enrolled
6 in unified school district No. 259, Sedgwick county, Kansas, but housed,
7 maintained, and receiving educational services at the Judge James V. Rid-
8 del Boys Ranch, shall be counted as two pupils. A pupil residing at the
9 Flint Hills job corps center shall not be counted. A pupil confined in and
10 receiving educational services provided for by a district at a juvenile de-
11 tention facility shall not be counted. A pupil enrolled in a district but
12 housed, maintained, and receiving educational services at a state institu-
13 tion shall not be counted.

14 (b) “Preschool-aged exceptional children” means exceptional chil-
15 dren, except gifted children, who have attained the age of three years but
16 are under the age of eligibility for attendance at kindergarten.

17 (c) “At-risk pupils” means pupils who are eligible for free meals un-
18 der the national school lunch act and who are enrolled in a district which
19 maintains an approved at-risk pupil assistance plan.

20 (d) “Preschool-aged at-risk pupil” means an at-risk pupil who has
21 attained the age of four years, is under the age of eligibility for attendance
22 at kindergarten, and has been selected by the state board in accordance
23 with guidelines consonant with guidelines governing the selection of pup-
24 ils for participation in head start programs. The state board shall select
25 not more than 5,500 preschool-aged at-risk pupils to be counted in any
26 school year.

27 (e) “Enrollment” means: (1) For districts scheduling the school days
28 or school hours of the school term on a trimestral or quarterly basis, the
29 number of pupils regularly enrolled in the district on September 20 plus
30 the number of pupils regularly enrolled in the district on February 20
31 less the number of pupils regularly enrolled on February 20 who were
32 counted in the enrollment of the district on September 20; and for dis-
33 tricts not specified in this clause (1), the number of pupils regularly en-
34 rolled in the district on September 20; (2) if enrollment in a district in
35 any school year has decreased from enrollment in the preceding school
36 year, enrollment of the district in the current school year means which-
37 ever is the greater of (A) enrollment in the preceding school year minus
38 enrollment in such school year of preschool-aged at-risk pupils, if any
39 such pupils were enrolled, plus enrollment in the current school year of
40 preschool-aged at-risk pupils, if any such pupils are enrolled, or (B) the
41 sum of enrollment in the current school year of preschool-aged at-risk
42 pupils, if any such pupils are enrolled and the average (mean) of the sum
43 of (i) enrollment of the district in the current school year minus enroll-

1 ment in such school year of preschool-aged at-risk pupils, if any such
2 pupils are enrolled and (ii) enrollment in the preceding school year minus
3 enrollment in such school year of preschool-aged at-risk pupils, if any
4 such pupils were enrolled and (iii) enrollment in the school year next
5 preceding the preceding school year minus enrollment in such school year
6 of preschool-aged at-risk pupils, if any such pupils were enrolled; or (3)
7 the number of pupils as determined under K.S.A. 72-6447, and amend-
8 ments thereto.

9 ~~(f) “Adjusted enrollment” means enrollment adjusted by adding at-~~
10 ~~risk pupil weighting, program weighting, low enrollment weighting, if any,~~
11 ~~correlation weighting, if any, school facilities weighting, if any, ancillary~~
12 ~~school facilities weighting, if any, special education and related services~~
13 ~~weighting, and transportation weighting to enrollment.~~

14 ~~(g) “At-risk pupil weighting” means an addend component assigned~~
15 ~~to enrollment of districts on the basis of enrollment of at-risk pupils.~~

16 ~~(h) “Program weighting” means an addend component assigned to~~
17 ~~enrollment of districts on the basis of pupil attendance in educational~~
18 ~~programs which differ in cost from regular educational programs.~~

19 ~~(i) “Low enrollment weighting” means an addend component as-~~
20 ~~signed to enrollment of districts having under 1,725 enrollment on the~~
21 ~~basis of costs attributable to maintenance of educational programs by such~~
22 ~~districts in comparison with costs attributable to maintenance of educa-~~
23 ~~tional programs by districts having 1,725 or over enrollment.~~

24 ~~(j) “School facilities weighting” means an addend component as-~~
25 ~~signed to enrollment of districts on the basis of costs attributable to com-~~
26 ~~mencing operation of new school facilities. School facilities weighting may~~
27 ~~be assigned to enrollment of a district only if the district has adopted a~~
28 ~~local option budget and budgeted therein the total amount authorized for~~
29 ~~the school year. School facilities weighting may be assigned to enrollment~~
30 ~~of the district only in the school year in which operation of a new school~~
31 ~~facility is commenced and in the next succeeding school year.~~

32 ~~(k) “Transportation weighting” means an addend component as-~~
33 ~~signed to enrollment of districts on the basis of costs attributable to the~~
34 ~~provision or furnishing of transportation.~~

35 ~~(l) “Correlation weighting” means an addend component assigned to~~
36 ~~enrollment of districts having 1,725 or over enrollment on the basis of~~
37 ~~costs attributable to maintenance of educational programs by such dis-~~
38 ~~tricts as a correlate to low enrollment weighting assigned to enrollment~~
39 ~~of districts having under 1,725 enrollment.~~

40 ~~(m) “Ancillary school facilities weighting” means an addend compo-~~
41 ~~nent assigned to enrollment of districts to which the provisions of K.S.A.~~
42 ~~72-6441, and amendments thereto, apply on the basis of costs attributable~~
43 ~~to commencing operation of new school facilities. Ancillary school facil-~~

1 ities weighting may be assigned to enrollment of a district only if the
2 district has levied a tax under authority of K.S.A. 72-6441, and amend-
3 ments thereto, and remitted the proceeds from such tax to the state trea-
4 surer. Ancillary school facilities weighting is in addition to assignment of
5 school facilities weighting to enrollment of any district eligible for such
6 weighting.

7 ~~(n)~~ (f) “Juvenile detention facility” means: (1) Any secure public or
8 private facility which is used for the lawful custody of accused or adju-
9 dicated juvenile offenders and which shall not be a jail;

10 (2) any level VI treatment facility licensed by the Kansas department
11 of health and environment which is a psychiatric residential treatment
12 facility for individuals under the age of 21 which conforms with the reg-
13 ulations of the centers for medicare/medicaid services and the joint com-
14 mission on accreditation of health care organizations governing such fa-
15 cilities; and

16 (3) the Forbes Juvenile Attention Facility, the Sappa Valley Youth
17 Ranch of Oberlin, Salvation Army/Koch Center Youth Services, the Clar-
18 ence M. Kelley Youth Center, the Clarence M. Kelley Transitional Living
19 Center, Trego County Secure Care Center, St. Francis Academy at At-
20 chison, St. Francis Academy at Ellsworth, St. Francis Academy at Salina,
21 St. Francis Center at Salina, King’s Achievement Center, and Liberty
22 Juvenile Services and Treatment.

23 ~~(o)~~ “Special education and related services weighting” means an ad-
24 dendum component assigned to enrollment of districts on the basis of costs
25 attributable to provision of special education and related services for pu-
26 pils determined to be exceptional children.

27 Sec. 9. K.S.A. 72-6408 is hereby amended to read as follows: 72-
28 6408. (a) “School year” means the twelve month period ending June 30.

29 (b) “Current school year” means the school year during which gen-
30 eral state aid is determined by the state board under ~~K.S.A. 72-6416~~
31 *section 2*, and amendments thereto.

32 (c) “Preceding school year” means the school year immediately be-
33 fore the current school year.

34 (d) “September 20” has its usual meaning, except that in any year in
35 which September 20 is not a day on which school is maintained, it shall
36 mean the first day after September 20 on which school is maintained.

37 (e) “February 20” has its usual meaning, except that in any year in
38 which February 20 is not a day on which school is maintained, it shall
39 mean the first day after February 20 on which school is maintained.

40 ~~(f) The provisions of this section shall take effect and be in force from~~
41 ~~and after July 1, 1992.~~

42 Sec. 10. K.S.A. 2003 Supp. 72-6417 is hereby amended to read as
43 follows: 72-6417. (a) The distribution of general state aid under this act

1 shall be made in accordance with appropriation acts each year as provided
2 in this section.

3 (b) (1) In the months of July through May of each school year, the
4 state board shall determine the amount of general state aid which will be
5 required by each district to maintain operations in each such month. In
6 making such determination, the state board shall take into consideration
7 the district's access to local ~~effort~~ sources and the obligations of the gen-
8 eral fund which must be satisfied during the month. The amount deter-
9 mined by the state board under this provision is the amount of general
10 state aid which will be distributed to the district in the months of July
11 through May;

12 (2) in the month of June of each school year, subject to the provisions
13 of subsection (d), payment shall be made of the full amount of the general
14 state aid entitlement determined for the school year, less the sum of the
15 monthly payments made in the months of July through May.

16 (c) The state board of education shall prescribe the dates upon which
17 the distribution of payments of general state aid to school districts shall
18 be due. Payments of general state aid shall be distributed to districts once
19 each month on the dates prescribed by the state board. The state board
20 shall certify to the director of accounts and reports the amount due as
21 general state aid to each district in each of the months of July through
22 June. Such certification, ~~and~~ the amount of general state aid payable from
23 the state general fund; *and the timing for the release of such funds* shall
24 ~~be approved by~~ *be subject to the approval of* the director of the budget.
25 The director of accounts and reports shall draw warrants on the state
26 treasurer payable to the district treasurer of each district entitled to pay-
27 ment of general state aid, pursuant to vouchers approved by the state
28 board. Upon receipt of such warrant, each district treasurer shall deposit
29 the amount of general state aid in the general fund, except that, ~~an~~
30 ~~amount equal to the amount of~~ federal impact aid ~~not included in the~~
31 ~~local effort of a district~~ may be disposed of as provided in subsection (a)
32 of K.S.A. 72-6427, and amendments thereto.

33 (d) If any amount of general state aid that is due to be paid during
34 the month of June of a school year pursuant to the other provisions of
35 this section is not paid on or before June 30 of such school year, then
36 such payment shall be paid on or after the ensuing July 1, as soon as
37 moneys are available therefor. Any payment of general state aid that is
38 due to be paid during the month of June of a school year and that is paid
39 to school districts on or after the ensuing July 1 shall be recorded and
40 accounted for by school districts as a receipt for the school year ending
41 on the preceding June 30.

42 Sec. 11. K.S.A. 2003 Supp. 72-6428 is hereby amended to read as
43 follows: 72-6428. (a) Any lawful transfer of moneys from the general fund

1 of a district to any other fund shall be an operating expense in the year
2 the transfer is made. The board of any district may transfer moneys from
3 the general fund to any categorical fund of the district in any school year.
4 The board of any district may transfer moneys from the general fund to
5 any program weighted fund of the district, ~~subject to the following con-~~
6 ~~ditions:~~

7 ~~— (1) No board shall transfer moneys in any amount from the general~~
8 ~~fund to a program weighted fund prior to maturation of the obligation of~~
9 ~~the fund necessitating the transfer.~~

10 ~~— (2) The board may transfer moneys in an amount not to exceed the~~
11 ~~amount of the obligation of the program weighted fund necessitating the~~
12 ~~transfer.~~

13 (b) The board of any district may transfer moneys from the general
14 fund to the contingency reserve fund of the district, subject to the limi-
15 tations imposed upon the amount authorized to be maintained in the
16 contingency reserve fund under K.S.A. 72-6426, and amendments
17 thereto.

18 (c) The board of any district may transfer moneys from the general
19 fund to the capital outlay fund of the district.

20 (d) The board of any district may transfer moneys from the general
21 fund to the special reserve fund.

22 (e) The board of any district may transfer moneys from the general
23 fund to the special liability expense fund.

24 (f) The board of any district may transfer moneys from the general
25 fund to the textbook and student materials revolving fund.

26 Sec. 12. K.S.A. 2003 Supp. 72-6431 is hereby amended to read as
27 follows: 72-6431. (a) The board of each district shall levy an ad valorem
28 tax upon the taxable tangible property of the district in the school years
29 specified in subsection (b) for the purpose of:

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

32 (2) paying a portion of the costs of operating and maintaining public
33 schools in partial fulfillment of the constitutional obligation of the legis-
34 lature to finance the educational interests of the state; and

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

40 (b) The tax required under subsection (a) shall be levied *for the 2004-*
41 *2005 school year* at a rate ~~of 20 mills in the school year 2003-2004 and~~
42 ~~school year 2004-2005 equal to the initial levy.~~ **[If the mill levy is in**
43 **excess of 20 mills, 20 mills shall be subject to the exemption spec-**

1 **ified in K.S.A. 79-201y, and amendments thereto, and the addi-**
2 **tional mills shall not be subject to such exemption.]** *The school board*
3 *may change the rate in subsequent years with majority approval of the*
4 *school board. If the reading proficiency rate for the district is lower than*
5 *the reading proficiency rate for the state, the district must maintain a levy*
6 *equal to the initial levy plus the average statewide changes to the initial*
7 *levy. If the mathematics proficiency rate for a district is lower than the*
8 *mathematics proficiency rate for the state, the district must maintain a*
9 *levy equal to the initial levy plus the average statewide changes to the*
10 *initial levy.*

11 (c) The proceeds from the tax levied by a district under authority of
12 this section, except the proceeds of such tax levied for the purpose of
13 paying a portion of the principal and interest on bonds issued by cities
14 under authority of K.S.A. 12-1774, and amendments thereto, for the fi-
15 nancing of redevelopment projects upon property located within the dis-
16 trict, shall be deposited in the general fund of the district.

17 (d) ~~On June 1 of each year, the amount, if any, by which a district's~~
18 ~~local effort exceeds the amount of the district's state financial aid, as~~
19 ~~determined by the state board, shall be remitted to the state treasurer.~~
20 ~~Upon receipt of any such remittance, the state treasurer shall deposit the~~
21 ~~same in the state treasury to the credit of the state school district finance~~
22 ~~fund.~~

23 ~~(e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-~~
24 ~~1964b, and amendments thereto.~~

25 Sec. 13. K.S.A. 72-6441 is hereby amended to read as follows: 72-
26 6441. (a) (1) The board of any district to which the provisions of this
27 subsection apply may levy an ad valorem tax on the taxable tangible prop-
28 erty of the district each year for a period of time not to exceed two years
29 in an amount not to exceed the amount authorized by the state board of
30 tax appeals under this subsection for the purpose of financing the costs
31 ~~incurred by the state that are directly attributable to assignment of an~~
32 ~~illary new school facilities weighting to enrollment of the district.~~ The
33 state board of tax appeals may authorize the district to make a levy which
34 will produce an amount that is not greater than the difference between
35 the amount of costs directly attributable to commencing operation of one
36 or more new school facilities and the amount that is financed from any
37 other source provided by law for such purpose, ~~including any amount~~
38 ~~attributable to assignment of school facilities weighting to enrollment of~~
39 ~~the district for each school year in which the district is eligible for such~~
40 ~~weighting. If the district is not eligible, or will be ineligible, for school~~
41 ~~facilities weighting in any one or more years during the two-year period~~
42 ~~for which the district is authorized to levy a tax under this subsection, the~~
43 ~~state board of tax appeals may authorize the district to make a levy, in~~

1 ~~such year or years of ineligibility, which will produce an amount that is~~
2 ~~not greater than the actual amount of costs attributable to commencing~~
3 ~~operation of the facility or facilities.~~

4 (2) The board of tax appeals shall certify to the state board of edu-
5 cation the amount authorized to be produced by the levy of a tax under
6 subsection (a).

7 (3) The state board of tax appeals may adopt rules and regulations
8 necessary to properly effectuate the provisions of this subsection, includ-
9 ing rules relating to the evidence required in support of a district's claim
10 that the costs attributable to commencing operation of one or more new
11 school facilities are in excess of the amount that is financed from any
12 other source provided by law for such purpose.

13 (4) The provisions of this subsection apply to any district that (A)
14 commenced operation of one or more new school facilities in the school
15 year preceding the current school year or has commenced or will com-
16 mence operation of one or more new school facilities in the current school
17 year or any or all of the foregoing, and (B) ~~is authorized to adopt and has~~
18 ~~adopted a local option budget in an amount equal to the state prescribed~~
19 ~~percentage of the amount of state financial aid determined for the district~~
20 ~~in the current school year, and (C) is experiencing extraordinary enroll-~~
21 ~~ment growth as determined by the state board of education.~~

22 (b) The board of any district that has levied an ad valorem tax on the
23 taxable tangible property of the district each year for a period of two years
24 under authority of subsection (a) may continue to levy such tax under
25 authority of this subsection each year for an additional period of time not
26 to exceed three years in an amount not to exceed the amount computed
27 by the state board of education as provided in this subsection if the board
28 of the district determines that the costs attributable to commencing op-
29 eration of one or more new school facilities are significantly greater than
30 the costs attributable to the operation of other school facilities in the
31 district. The tax authorized under this subsection may be levied at a rate
32 which will produce an amount that is not greater than the amount com-
33 puted by the state board of education as provided in this subsection. In
34 computing such amount, the state board shall (1) determine the amount
35 produced by the tax levied by the district under authority of subsection
36 (a) in the second year for which such tax was levied ~~and add to such~~
37 ~~amount the amount of general state aid directly attributable to school~~
38 ~~facilities weighting that was received by the district in the same year, and~~
39 (2) compute 75% of the amount of the sum obtained under (1), which
40 computed amount is the amount the district may levy in the first year of
41 the three-year period for which the district may levy a tax under authority
42 of this subsection, and (3) compute 50% of the amount of the sum ob-
43 tained under (1), which computed amount is the amount the district may

1 levy in the second year of the three-year period for which the district may
2 levy a tax under authority of this subsection, and (4) compute 25% of the
3 amount of the sum obtained under (1), which computed amount is the
4 amount the district may levy in the third year of the three-year period for
5 which the district may levy a tax under authority of this subsection.

6 ~~(c) The proceeds from the tax levied by a district under authority of
7 this section shall be remitted to the state treasurer in accordance with
8 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt
9 of each such remittance, the state treasurer shall deposit the entire
10 amount in the state treasury to the credit of the state school district fi-
11 nance fund.~~

12 **[The proceeds from the tax levied by a district under authority
13 of this section shall be deposited in the extraordinary growth fa-
14 cilities fund and used to pay costs related to the opening and op-
15 erations of the new facilities.]**

16 Sec. 14. K.S.A. 72-8187 is hereby amended to read as follows: 72-
17 8187. (a) In each school year, to the extent that appropriations are avail-
18 able, each school district which has provided educational services for pu-
19 pils residing at the Flint Hills job corps center or for pupils confined in
20 a juvenile detention facility is eligible to receive a grant of state moneys
21 in an amount to be determined by the state board of education.

22 (b) In order to be eligible for a grant of state moneys provided for by
23 this section, each school district which has provided educational services
24 for pupils residing at the Flint Hills job corps center or for pupils confined
25 in a juvenile detention facility shall submit to the state board of education
26 an application for a grant and shall certify the amount expended, and not
27 reimbursed or otherwise financed, in the school year for the services
28 provided. The application and certification shall be prepared in such form
29 and manner as the state board shall require and shall be submitted at a
30 time to be determined and specified by the state board. Approval by the
31 state board of applications for grants of state moneys is prerequisite to
32 the award of grants.

33 (c) Each school district which is awarded a grant under this section
34 shall make such periodic and special reports of statistical and financial
35 information to the state board as it may request.

36 (d) All moneys received by a school district under authority of this
37 section shall be deposited in the general fund of the school district and
38 shall be considered reimbursement of the district for the purpose of the
39 school district finance and quality performance act.

40 (e) The state board of education shall approve applications of school
41 districts for grants, determine the amount of grants and be responsible
42 for payment of grants to school districts. In determining the amount of a
43 grant which a school district is eligible to receive, the state board shall

1 compute *annually* the amount of state financial aid ~~the district would have~~
2 ~~received~~ on the basis of enrollment of pupils residing at the Flint Hills
3 job corps center or confined in a juvenile detention facility ~~if such pupils~~
4 ~~had been counted as two pupils under the school district finance and~~
5 ~~quality performance act and compare such computed amount to the~~
6 ~~amount certified by the district under subsection (b).~~ *For school year*
7 *2004-05, the amount shall be \$7,780. For subsequent years, such amount*
8 *shall be adjusted for changes in the consumer price index or a similar*
9 *inflation index, as determined by the state board of education.* The
10 amount of the grant the district is eligible to receive shall be an amount
11 equal to the lesser of the amount computed under this subsection or the
12 amount certified under subsection (b). If the amount of appropriations
13 for the payment of grants under this section is insufficient to pay in full
14 the amount each school district is determined to be eligible to receive for
15 the school year, the state board shall prorate the amount appropriated
16 among all school districts which are eligible to receive grants of state
17 moneys in proportion to the amount each school district is determined
18 to be eligible to receive.

19 (f) As used in this section:

20 (1) "Enrollment" means the number of pupils who are residing at the
21 Flint Hills job corps center or who are confined in a juvenile detention
22 facility and for whom a school district is providing educational services
23 on September 20, on November 20, or on April 20 of a school year,
24 whichever is the greatest number of pupils; and

25 (2) "juvenile detention facility" shall have the meaning ascribed
26 thereto by K.S.A. 72-6407, and amendments thereto.

27 Sec. 15. K.S.A. 72-8190 is hereby amended to read as follows: 72-
28 8190. (a) For the purpose of determination of ~~supplemental general state~~
29 ~~aid under K.S.A. 72-6434, and amendments thereto, and payments from~~
30 the school district capital improvements fund under K.S.A. 75-2319, and
31 amendments thereto, notwithstanding any provision of either such stat-
32 utory section to the contrary, the term assessed valuation per pupil, as
33 applied to unified school district No. 203, Wyandotte county, shall not
34 include within its meaning the assessed valuation of property which is
35 owned by Sunflower Racing, Inc. and operated as a racetrack facility
36 known as the Woodlands. The meaning of assessed valuation per pupil as
37 provided in this subsection, for the purposes specified in this subsection,
38 and as applied to the unified school district designated in this subsection,
39 shall be in force and effect for the 1994-95 and 1995-96 school years.

40 (b) (1) In the event unified school district No. 203, Wyandotte
41 county, receives in any school year the proceeds from any taxes which
42 may be paid upon the Woodlands for the 1994-95 school year or the 1995-
43 96 school year or for both such school years, the state board of education

1 shall deduct an amount equal to the amount of such tax proceeds from
2 future payments of state aid to which the district is entitled.

3 (2) For the purposes of this subsection, the term “state aid” means
4 ~~supplemental general state aid~~ and payments from the school district
5 capital improvements fund.

6 Sec. 16. K.S.A. 2003 Supp. 72-8251 is hereby amended to read as
7 follows: 72-8251. Whenever a school district is required by law to make
8 any payment during the month of June and there is insufficient revenue
9 to make such payment as a result of the payment of state aid after the
10 date prescribed by the state board of education pursuant to K.S.A. 72-
11 6417 or ~~72-6434 section 2~~ [3], and amendments thereto, the school dis-
12 trict shall make such payment as soon as moneys are available.

13 Sec. 17. K.S.A. 2003 Supp. 79-201x is hereby amended to read as
14 follows: 79-201x. ~~For taxable years 2003 and 2004,~~ The following de-
15 scribed property, to the extent herein specified, shall be and is hereby
16 exempt from *20 mills* of the property tax levied pursuant to the provisions
17 of K.S.A. 72-6431, and amendments thereto: Property used for residential
18 purposes to the extent of \$20,000 of its appraised valuation.

19 Sec. 18. K.S.A. 79-5105 is hereby amended to read as follows: 79-
20 5105. (a) A tax is hereby levied upon every motor vehicle, as the same is
21 defined by K.S.A. 79-5101, and amendments thereto, in an amount which
22 shall be determined in the manner hereinafter prescribed, except that:
23 (1) (A) For 1995, the tax on any motorcycle shall not be less than \$6 and
24 the tax on any other motor vehicle shall not be less than \$12; and (B) the
25 tax on each motor vehicle the age of which is 15 years or older shall not
26 be more than \$12; and (2) for 1996, and each year thereafter: (A) The
27 tax on any motorcycle shall not be less than \$12 and the tax on any other
28 motor vehicle shall not be less than \$24, except as otherwise provided by
29 clause (B) and (C); (B) the tax on any motorcycle the model year of which
30 is 1980 or earlier shall be \$6 and the tax on any other motor vehicle the
31 model year of which is 1980 or earlier shall be \$12; and (C) if the tax on
32 any motorcycle in 1995 was more than \$6 but less than \$12, the tax shall
33 be determined for 1996 and each year thereafter in the manner herein-
34 after prescribed but shall not be less than \$6, and if the tax on any other
35 motor vehicle in 1995 was more than \$12 but less than \$24, the tax shall
36 be determined for 1996 and each year thereafter in the manner herein-
37 after prescribed but shall not be less than \$12.

38 (b) The amount of such tax on a motor vehicle shall be computed by:
39 (1) Determining the amount representing the midpoint of the values in-
40 cluded within the class in which such motor vehicle is classified under
41 K.S.A. 79-5102 or 79-5103, and amendments thereto, except that the
42 midpoint of class 20 shall be \$21,000 plus \$2,000 for each \$2,000 or
43 portion thereof by which the trade-in value of the vehicle exceeds

1 \$22,000; (2) if the model year of the motor vehicle is a year other than
 2 the year for which the tax is levied, by reducing such midpoint amount
 3 by an amount equal to 16% in 1995, and all years prior thereto, and 15%
 4 in 1996, and all years thereafter, of the remaining balance for each year
 5 of difference between the model year of the motor vehicle and the year
 6 for which the tax is levied if the model year of the motor vehicle is 1981
 7 or a later year or (B) the remaining balance for each year of difference
 8 between the year 1980 and the year for which the tax is levied if the
 9 model year of the motor vehicle is 1980 or any year prior thereto; (3) by
 10 multiplying the amount determined after application of clause (2) above
 11 by 30% during calendar year 1995, 28.5% during the calendar year 1996,
 12 26.5% during the calendar year 1997, 24.5% during the calendar year
 13 1998, 22.5% during the calendar year 1999, and 20% during all calendar
 14 years thereafter, which shall constitute the taxable value of the motor
 15 vehicle; and (4) by multiplying the taxable value of the motor vehicle
 16 produced under clause (3) above by the county average tax rate.

17 (c) The “county average tax rate” means the total amount of general
 18 property taxes levied within the county by the state, county and all other
 19 taxing subdivisions levying such taxes within such county in the second
 20 calendar year before the calendar year in which the owner’s full registra-
 21 tion year begins divided by the total assessed tangible valuation of prop-
 22 erty within such county as of November 1 of such second calendar year
 23 before the calendar year in which the owner’s full registration year begins
 24 as certified by the secretary of revenue, except that: ~~(1) As of November~~
 25 ~~1, 1994, such rate shall be computed without regard to 11.420% of the~~
 26 ~~general property taxes levied by school districts pursuant to K.S.A. 72-~~
 27 ~~6431, and amendments thereto; (2) as of November 1, 1995, such rate~~
 28 ~~shall be computed without regard to 31.420% of the general property~~
 29 ~~taxes levied by school districts pursuant to K.S.A. 72-6431, and amend-~~
 30 ~~ments thereto; (3) as of November 1, 1996, such rate shall be computed~~
 31 ~~without regard to 54.286% of the general property taxes levied by school~~
 32 ~~districts pursuant to K.S.A. 72-6431, and amendments thereto; (4) as of~~
 33 ~~November 1, 1997, such rate shall be computed without regard to 70.36%~~
 34 ~~of the general property taxes levied by school districts pursuant to K.S.A.~~
 35 ~~72-6431, and amendments thereto; and (5) as of November 1, 1998, and~~
 36 ~~such date in all years thereafter, 20 mills of such rate shall be computed~~
 37 ~~without regard to the general property taxes levied by school districts~~
 38 ~~pursuant to K.S.A. 72-6431, and amendments thereto.~~

39 New Sec. 19. (a) There is appropriated for the state board of edu-
 40 cation from the state general fund for the fiscal year ending June 30,
 41 2005, the following:

42	Bilingual education.....	\$1,500,000
43	At-risk education.....	\$5,500,000

1 (b) The state board of education shall distribute the moneys appro-
2 priated by subsection (a) on a per pupil basis for pupils receiving bilingual
3 services or at-risk services approved by the state board.

4 (c) The state board of education may prescribe policies and may
5 adopt regulations relating to this section.

6 (d) The legislative educational planning committee shall review and
7 study implementation of this section. Such internal study shall include
8 the cost of providing at-risk and bilingual services, the adequacy of fund-
9 ing therefor and recommendations, if any, for changes. The committee
10 shall provide a copy of its report to the governor and the legislative co-
11 ordinating council on or before January 10, 2005.

12 Sec. 20. K.S.A. 72-979, 72-6405, 72-6408, 72-6410, 72-6411, 72-
13 6412, 72-6413, 72-6414, 72-6415, 72-6416, 72-6421, 72-6422, 72-6433,
14 72-6433b, 72-6435, 72-6441, 72-6442, 72-6443, 72-6444, 72-8187, 72-
15 8190, 72-9509 and 79-5105 and K.S.A. 2003 Supp. 10-1116a, 72-6407,
16 72-6417, 72-6425, 72-6428, 72-6431, 72-6434, 72-8251, 72-9609, 79-201x
17 and 79-201y are hereby repealed.

18 Sec. 21. This act shall take effect and be in force from and after its
19 publication in the Kansas register.