

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairperson Kathe Decker at 9:00 a.m. on March 19, 2004 in Room 313-S of the Capitol.

All members were present.

Committee staff present:

Carolyn Rampey Legislative Research Department  
Art Griggs, Office of the Revisor of Statues  
Ann Deitcher, Secretary

Conferees appearing before the committee:

Majority Leader, Representative Clay Aurand

**HB 2937 - relating to school finance; authorizing school districts to reduce or eliminate a certain property tax exemption; concerning a cost of living weighting.**

Representative Beggs made the motion that was seconded by Representative Mason to present **HB 2937** to the Committee for discussion. The motion passed on a voice vote.

Representative Aurand addressed the Committee in explanation of the balloon amendment to **HB 2937** being offered. (Attachment 1).

A motion was put forward by Representative Williams and seconded by Representative Johnson that the balloon amendment to **HB 2937** be accepted. The motion passed on a voice vote.

A period of questions and answers followed.

It was moved by Representative Miller and seconded by Representative Williams that **HB 2937** be passed out of Committee as amended. The motion carried on a show of hands, 13 to 7.

Wishing their no votes on **HB 2937** to be recorded were, Representatives Crow, Flaharty, Holland, Phelps, Reardon, Storm and Winn.

The meeting adjourned at 9:25 a.m. The next meeting is scheduled for Monday, March 22, 2004.

HOUSE BILL No. 2937

By Committee on Appropriations

3-16

9 AN ACT relating to school finance; authorizing school districts to ~~reduce~~  
10 ~~and~~ eliminate a certain property tax exemption; concerning a cost of  
11 living weighting; amending K.S.A. 72-6413, 72-6414 and 72-8801 and  
12 K.S.A. 2003 Supp. 72-6407, 79-201x and 79-5040 and repealing the  
13 existing sections.

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

15 Section 1. K.S.A. 72-6413 is hereby amended to read as follows: 72-  
16 6413. The program weighting of each district shall be determined by the  
17 state board as follows:

- 18 (a) Compute full time equivalent enrollment in programs of bilingual
- 19 education and multiply the computed enrollment by ~~0.2~~ 24.
- 20 (b) compute full time equivalent enrollment in approved vocational
- 21 education programs and multiply the computed enrollment by 0.5.
- 22 (c) add the products obtained under (a) and (b). The sum is the pro-
- 23 gram weighting of the district.
- 24 ~~(d) The provisions of this section shall take effect and be in force~~
- 25 ~~from and after July 1, 1992.~~

26 Sec. 2. K.S.A. 72-6414 is hereby amended to read as follows: 72-  
27 6414. (a) The at-risk pupil weighting of each district shall be determined  
28 by the state board by multiplying the number of at-risk pupils included  
29 in enrollment of the district by ~~40~~ 15 for school year 2004-2005 and  
30 each school year thereafter.

31 (b) The product obtained under subsection (a) is the at-risk pupil  
32 weighting of the district.

33 ~~(b)(c)~~ Except as provided in subsection ~~(b)(c)~~, of the amount a dis-  
34 trict receives from the at-risk pupil weighting, an amount produced by a  
35 pupil weighting of .01 shall be used by the district for achieving mastery  
36 of basic reading skills by completion of the third grade in accordance with  
37 standards and outcomes of mastery identified by the state board under  
38 K.S.A. 72-7531, and amendments thereto.

39 ~~(b)(d)~~ A district shall include such information in its at-risk pupil  
40 assistance plan as the state board may require regarding the district's  
41 remediation strategies and the results thereof in achieving the third grade  
42 reading standards and outcomes of mastery identified by the state board.  
43

1-2

1 percentage of the amount of state financial aid determined for the district  
2 in the current school year, the district qualifies for assignment of cost of  
3 living weighting and for authority to levy an ad valorem tax on the taxable  
4 tangible property of the district for the purpose of financing the costs  
5 incurred by the state that are directly attributable to assignment of the  
6 cost of living weighting to enrollment of the district.

7 (c) The levy of an ad valorem tax under authority of this section shall  
8 require the board to pass a resolution authorizing such a tax levy and to  
9 publish the resolution once in a newspaper having general circulation in  
10 the district. The resolution shall be published in substantial compliance  
11 with the following form:

12 Unified School District No. \_\_\_\_\_  
13 \_\_\_\_\_ County, Kansas

14 RESOLUTION

15 Be It Resolved that:

16 The board of education of the above-named school district shall be authorized to levy an  
17 ad valorem tax in an amount not to exceed the amount necessary to finance the costs incurred  
18 by the state that are directly attributable to assignment of cost of living weighting to en-  
19 rollment of the district. The ad valorem tax authorized by this resolution may be levied  
20 unless a petition in opposition to the same, signed by ~~not less than 50% of the qualified~~  
21 ~~electors of the school district~~ is filed with the county election officer of the home county  
22 of the school district within 20 days after the publication of this resolution. In the event that  
23 a petition is filed, the county election officer shall submit the question of whether the levy  
24 of such a tax shall be authorized in accordance with the provisions of this resolution to the  
25 electors of the school district ~~the next general election, as is specified by the board of~~  
26 education of the school district.

electors of the district in a number that is at least 10% of the  
number of electors who voted in the last school board  
election

at a special election called for such purpose, at a mail ballot  
election at election or at

27 CERTIFICATE

28 This is to certify that the above resolution was duly adopted by the board of education  
29 of Unified School District No. \_\_\_\_\_ County, Kansas, on the  
30 \_\_\_\_ day of \_\_\_\_\_ (year) \_\_\_\_\_

31 \_\_\_\_\_  
32 Clerk of the board of education

33 All of the blanks in the resolution shall be appropriately filled. If no  
34 petition as specified above is filed in accordance with the provisions of  
35 the resolution, the resolution authorizing the ad valorem tax levy shall  
36 become effective. If a petition is filed as provided in the resolution, the  
37 board may notify the county election officer to submit the question of  
38 whether the ad valorem tax levy shall be authorized. If the board fails to  
39 notify the county election officer within 30 days after a petition is filed,  
40 the resolution shall be deemed abandoned and of no force and effect and  
41 no like resolution shall be adopted by the board within the nine months  
42 following publication of the resolution. If a majority of the votes cast in  
43 an election conducted pursuant to this provision are in favor of the res-

1. resolution then such resolution shall be effective on the date of such election.  
 2. If a majority of the votes cast are not in favor of the resolution, the res-  
 3. olution shall be deemed of no effect and no like resolution shall be  
 4. adopted by the board within the nine months following such election.

5. (d) ~~The proceeds from the tax levied by the district under authority~~  
 6. of this section shall be remitted to the state school district. Upon receipt  
 7. of such remittance, the school district shall deposit the same in the special  
 8. education fund, bilingual education fund, the parent education program  
 9. fund or in any one or any combination of such funds as determined by  
 10. the school board.

11. New Sec. 5 The cost of living weighting of a district shall be de-  
 12. termined in each school year in which such weighting may be assigned to  
 13. enrollment of the district as follows:

14. (1) Divide the amount determined under subsection (b)(4) of section  
 15. 4, and amendments thereto, by the amount determined under subsection  
 16. (b)(2) of section 4, and amendments thereto;

17. (2) multiply the factor determined under (1) by .109;

18. (3) multiply the district's state financial aid, excluding the amount  
 19. determined under this provision, by the lesser of the factor determined  
 20. under (2) or .05; and

21. (4) divide the amount determined under (3) by the base state aid per  
 22. pupil for the current school year. The quotient is the cost of living weight-  
 23. ing of the district.

24. Sec. 6 K.S.A. 2003 Supp. 72-6407 is hereby amended to read as  
 25. follows: 72-6407. (a) "Pupil" means any person who is regularly enrolled  
 26. in a district and attending kindergarten or any of the grades one through  
 27. 12 maintained by the district or who is regularly enrolled in a district and  
 28. attending kindergarten or any of the grades one through 12 in another  
 29. district in accordance with an agreement entered into under authority of  
 30. K.S.A. 72-8233, and amendments thereto, or who is regularly enrolled in  
 31. a district and attending special education services provided for preschool-  
 32. aged exceptional children by the district. Except as otherwise provided  
 33. in this subsection, a pupil in attendance full time shall be counted as one  
 34. pupil. A pupil in attendance part time shall be counted as that proportion  
 35. of one pupil (to the nearest  $\frac{1}{10}$ ) that the pupil's attendance bears to full-  
 36. time attendance. A pupil attending kindergarten shall be counted as  $\frac{1}{2}$   
 37. pupil. A pupil enrolled in and attending an institution of postsecondary  
 38. education which is authorized under the laws of this state to award aca-  
 39. demic degrees shall be counted as one pupil if the pupil's postsecondary  
 40. education enrollment and attendance together with the pupil's attend-  
 41. ance in either of the grades 11 or 12 is at least  $\frac{3}{4}$  time, otherwise the  
 42. pupil shall be counted as that proportion of one pupil (to the nearest  $\frac{1}{10}$ )  
 43. that the total time of the pupil's postsecondary education attendance and

A school district board may opt to put the question of whether  
 to eliminate the exemption directly to the electors of the  
 district. Such election may be: (1) at a special election called for  
 such purpose; (2) by the mail ballot election act; or (3) at the next  
 general election.

(e)

1-1

1 necessity of enhancing salaries due to the extraordinary cost of purchasing  
2 single family residences in the district. Cost of living weighting may be  
3 assigned to enrollment of the district only if the district has levied a tax  
4 under authority of section 4, and amendments thereto

(a)

5 Now Sec. 7. ~~Each school board shall be authorized to reduce and~~ elim-  
6 inate the property tax exemption specified in K.S.A. 79-201x, and amend-  
7 ments thereto, in accordance with this section. No such ~~reduction or~~  
8 elimination shall be authorized unless the school board passes a resolution  
9 and publishes such resolution once in a newspaper having general cir-  
10 culation in the district. The resolution shall be published in substantial  
11 compliance with the following form:

12 Unified School District No. \_\_\_\_\_  
13 \_\_\_\_\_ County, Kansas

14 RESOLUTION

15 Be It Resolved that:

16 The board of education of the above named school district shall be authorized to ~~reduce~~  
17 the \$20,000 property tax exemption applicable to the property tax levy specified by K.S.A.  
18 72-631, and amendments thereto, on property used for residential purposes. ~~Such exemp-~~  
19 ~~tion shall be reduced to \$\_\_\_\_\_.~~ The ~~reduction~~ authorized by this resolution  
20 may be adopted, unless a petition in opposition to the same, signed by ~~not less than 5%~~  
21 ~~the qualified electors of the school district~~, is filed with the county election officer of the  
22 home county of the school district within 30 days after the publication of this resolution. In  
23 the event a petition is filed, the county election officer shall submit the question of whether  
24 the property tax exemption reduction shall be authorized to the electors of the school district  
25 at an election called for the purpose ~~or at the next general election, as is specified by the~~  
26 board of education of the school district.

eliminate

elimination

electors of the district in a number that is at least 10%  
of the number of electors who voted in the last school  
board election

27 CERTIFICATE

28 This is to certify that the above resolution was duly adopted by the board of education  
29 of Unified School District No. \_\_\_\_\_ County, Kansas, on the  
30 \_\_\_\_\_ day of \_\_\_\_\_ (year) \_\_\_\_\_

, an election pursuant to the mail ballot election act

31 \_\_\_\_\_  
32 Clerk of the board of education.

33 All of the blanks in the resolution shall be appropriately filled. ~~The~~  
34 ~~blank following the phrase "reduced to" shall be filled with a specific~~  
35 ~~dollar amount under \$20,000 or shall specify "\$0."~~ If no petition as speci-  
36 fied above is filed in accordance with the provisions of the resolution,  
37 the board may ~~reduce~~ the exemption as specified in the resolution. If a  
38 petition is filed as provided in the resolution, the board may notify the  
39 county election officer of the date of an election to be held to submit the  
40 question of whether the property tax exemption reduction shall be au-  
41 thorized. If the board fails to notify the county election officer within 30  
42 days after a petition is filed, the resolution shall be deemed abandoned  
43 and of no force and effect and no like resolution shall be adopted by the

eliminate

5-1

1 board within the nine months following publication of the resolution. If  
 2 the voters approve the question, the board may ~~eliminate~~ eliminate the  
 3 exemption as specified in the resolution. ~~Notwithstanding other provi-~~  
 4 sions of law, the increased property taxes attributable to the ~~election of~~  
 5 elimination of the exemption in accordance with this section shall be  
 6 deposited in the district's special education fund and: (1) Shall not be a  
 7 deduction from state aid; and (2) shall not expand a school district's local  
 8 option budget or local option budget authority.

9 Sec. 8. K.S.A. 70-201x is hereby amended to read as follows: 70-201x  
 10 ~~For taxable years 2002 and 2004. Subject to the provisions of section 7,~~  
 11 ~~and amendments thereto,~~ the following described property, to the extent  
 12 herein specified, shall be and is hereby exempt from the property tax  
 13 levied pursuant to the provisions of K.S.A. 72-6431, and amendments  
 14 thereto. Property used for residential purposes to the extent of \$20,000  
 15 of its appraised valuation.

16 Sec. 9. K.S.A. 72-8501 is hereby amended to read as follows: 72-  
 17 8501. (a) The board of education of any school district may make an  
 18 annual tax levy at a mill rate not to exceed the statutorily prescribed mill  
 19 rate for a period of not to exceed five years upon the taxable tangible  
 20 property in the school district for the purposes specified in this act and  
 21 for the purpose of paying a portion of the principal and interest on bonds  
 22 issued by cities under the authority of K.S.A. 12-1774, and amendments  
 23 thereto, for the financing of redevelopment projects upon property lo-  
 24 cated within the school district. No levy shall be made under this act until  
 25 a resolution is adopted by the board of education in the following form:  
 26 Unified School District No. \_\_\_\_\_

\_\_\_\_\_ County, Kansas

27  
 28 RESOLUTION

29 Be It Resolved that:

30 The above-named school board shall be authorized to make an annual tax levy for a period  
 31 not to exceed \_\_\_\_\_ years in an amount not to exceed \_\_\_\_\_ mills upon the taxable  
 32 tangible property in the school district for the purpose of acquisition, construction, recon-  
 33 struction, repair, remodeling, additions to, furnishing and equipping of buildings necessary  
 34 for school district purposes, including housing and boarding pupils enrolled in an area vo-  
 35 cational school operated under the board, architectural expenses incidental thereto, the  
 36 acquisition of building sites, the undertaking and maintenance of asbestos control projects,  
 37 the acquisition of school buses and the acquisition of other equipment and for the purpose  
 38 of paying a portion of the principal and interest on bonds issued by cities under the authority  
 39 of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects  
 40 upon property located within the school district. The tax levy authorized by this resolution  
 41 may be made, unless a petition in opposition to the same, signed by not less than 10% of  
 42 the qualified electors of the school district, is filed with the county election officer of the  
 43 home county of the school district within 40 days after the first publication of this resolution.

(b) A school district board may opt to put the question of whether to eliminate the exemption directly to the electors of the district. Such election may be: (1) at a special election called for such purpose; (2) by the mail ballot election act; or (3) at the next general election.

(c)

1 operations and maintenance programs and management plans;

2 (4) "asbestos" means the asbestiform varieties of chrysotile (serpen-  
3 tine), crocidolite (riebeckite), amosite (cummingtonitegrunerite), antho-  
4 phyllite, tremolite, and actinolite; and

5 (5) "asbestos-containing material" means any material or product  
6 which contains more than 1% asbestos.

7 New Sec. 10. (a) There is hereby established at Emporia state uni-  
8 versity the center for innovative school leadership.

9 (b) The center for innovative school leadership shall:

10 (1) Provide consultation and assistance, upon request of school dis-  
11 tricts, for the purpose of improving administrative efficiency.

12 (2) Provide consultation and assistance, upon request of school dis-  
13 tricts, for the purpose of assisting school districts in administrative eval-  
14 uation and problem solving.

15 (3) Form teams which include representatives from the fields of ed-  
16 ucation, business and industry to consult with and assist school districts  
17 with improvements in administrative and efficiency issues.

18 (4) Form cooperative or outsourcing arrangements among school dis-  
19 tricts to assist districts in improving administrative efficiency.

20 (5) Provide assistance to school districts, for the purpose of improving  
21 academic efficiencies.

22 (c) Subject to appropriations therefor, the president of Emporia state  
23 university shall appoint a director for the center for innovative school  
24 leadership ~~and fund operating expenses of such center.~~

25 (d) The president of Emporia state university annually shall submit a  
26 report to the chairpersons of the senate committee on ways and means  
27 and the house committee on appropriations concerning the center's con-  
28 sultation to local school districts and other activities of the center under-  
29 taken pursuant to this section.

30 Sec. 11. K.S.A. 72-6413, 72-6414 and 72-8801 and K.S.A. 2003 Supp  
31 72-6407, 79-201x and 79-5040 are hereby repealed.

32 Sec. 12. This act shall take effect and be in force from and after its  
33 publication in the statute book.

The first three years of funding for the center shall be subject to appropriations by the state.

(e) The center will negotiate with school districts on the costs to utilizing services of the center. Such costs may be based on: (1) a set flat fee for services; (2) a percentage of dollars saved; or (3) a combination of (1) and (2).

(f) Notwithstanding provisions of law to the contrary, any savings a school district realizes from services from the center may be retained by the school district and shall not be a deduction from any state aid.

Kansas register