

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 A.M. on March 13, 2007 in Room 313-S of the Capitol.

All members were present except:  
Representative Benjamin Hodge- absent

Committee staff present:  
Sharon Wenger, Kansas Legislative Research Department  
Michele Alishahi, Kansas Legislative Research Department  
Ashley Holm, Kansas Legislative Research Department  
Theresa Kiernan, Revisor of Statutes  
Janet Henning, Committee Assistant

Conferees appearing before the committee:

**SB 22 - Teacher education matching grant program**

**SB 23 - Teacher service scholarship program**

Theresa Kiernan, Office of Revisor of Statutes, explained to Committee members of technical amendments to **SB 23**.

Representative Loganbill moved that SB 23 be passed favorably for passage as amended. The motion was seconded by Representative Horst.

Representative Faber made the motion to have the Kansas Board of Regents submit a report to the legislature relating to the effects of the teacher service scholarship program and the teacher education competitive grant program. The motion was seconded by Representative Crow. After a brief discussion by Committee members, the motion carried on a voice vote.

Representative Faber moved to amend SB 23 and merge with SB 22 and indicate a percentage for scholarships and grants. The motion was seconded by Representative Crow. After a discussion among Committee members, the motion carried on a voice vote.

Representative Colloton moved that SB 22 receive 100% percentage of the funds, Representative Otto seconded the motion. After discussion with Committee members, Representative Colloton withdrew the motion.

Representative Loganbill moved that funding for scholarships should be no less than 70% for the teacher service scholarship program and 30% for the teacher education competitive grant program. The motion was seconded by Representative Faber and carried on a voice vote.

Representative Faber moved that SB 23 be passed favorably as amended and was seconded by Representative Horst. The motion carried on a voice vote.

**SB 69 - School finance; cost of living and declining enrollment weightings; LOB requirements.**

Representative Phelps made the motion for a balloon amendment for SB 69 and was seconded by Representative Faber. (Attachment #1)

Representative Colloton made the motion to grandfather those districts levying a tax in school year 2006 - 2007 and allow those districts to levy the maximum amount allowed under this section. The motion failed on a voice vote. (Attachment #2)

Representative Phelps moved that SB 69 be passed favorably as amended.

Representative Crow made a motion for a balloon amendment for SB 69. The motion was seconded by Representative Loganbill. The motion failed on a voice vote. (Attachment #3)

Representative Loganbill moved to table the bill until Friday, March 16. The motion failed on a voice vote. Representative Horst moved to pass a balloon amendment for SB 69 which would reduce the COLA caps from the current 5% to 2%. The motion was seconded by Representative Crow. (Attachment #4)

Due to time constraints, the Chairman announced the hearing for **SB 69** would continue on Wednesday, March 14, 2007.

The meeting adjourned at 10:55 AM. The next meeting is scheduled for Wednesday, March 14, 2007.

**SENATE BILL No. 69**

By Committee on Education

1-11

10 AN ACT concerning school districts; relating to school finance; amend-  
11 ing K.S.A. 2006 Supp. 72-6449 and 72-6451 and repealing the existing  
12 sections.

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2006 Supp. 72-6449 is hereby amended to read as  
16 follows: 72-6449. (a) As used in this section, "school district" or "district"  
17 means a school district authorized to make a levy under this section.

18 (b) The board of education of any district may levy a tax on the taxable  
19 tangible property within the district for the purpose of financing the costs  
20 incurred by the state that are attributable directly to assignment of the  
21 cost of living weighting to the enrollment of the district. There is hereby  
22 established in every school district a fund which shall be called the cost  
23 of living fund, which fund shall consist of all moneys deposited therein  
24 or transferred thereto in accordance with law. All moneys derived from  
25 a tax imposed pursuant to this section shall be credited to the cost of  
26 living fund. The proceeds from the tax levied by a district credited to the  
27 cost of living fund shall be remitted to the state treasurer in accordance  
28 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
29 receipt of each such remittance, the state treasurer shall deposit the entire  
30 amount in the state treasury to the credit of the state school district fi-  
31 nance fund.

32 (c) The state board of education shall determine whether a district  
33 may levy a tax under this section as follows:

34 (1) Determine the statewide average appraised value of single family  
35 residences for the calendar year preceding the current school year;

36 (2) multiply the amount determined under (1) by 1.25;

37 (3) determine the average appraised value of single family residences  
38 in each school district for the calendar year preceding the current school  
39 year; and

40 (4) subtract the amount determined under (2) from the amount de-  
41 termined under (3). If the amount determined for the district under (4)  
42 is a positive number and the district is authorized to adopt and has  
43 adopted a local option budget in an amount equal to the state prescribed

8-1

1 ~~percentage in the current school year which equals at least 25%~~, the  
2 district qualifies for assignment of cost of living weighting and may levy  
3 a tax on the taxable tangible property of the district for the purpose of  
4 financing the costs that are attributable directly to assignment of the cost  
5 of living weighting to enrollment of the district.

equal to the state prescribed percentage

6 (d) Except as provided by subsection (e), no tax may be levied under  
7 this section unless the board of education adopts a resolution authorizing  
8 such a tax levy and publishes the resolution at least once in a newspaper  
9 having general circulation in the district. Except as provided by subsection  
10 (e), the resolution shall be published in substantial compliance with the  
11 following form:

(5) If a district was authorized to make a levy pursuant to this section  
in school year 2006-2007, such district shall remain authorized to levy  
such tax at the rate levied in school year 2006-2007 if: (A) The  
amount determined under (4) is a positive number; and (B) the district  
continues to adopt a local option budget in an amount equal to  
the state prescribed percentage in effect in school year 2006-2007.

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  
18 attributable directly to the assignment of cost of living weighting to the enrollment of the  
19 district. The ad valorem tax authorized by this resolution may be levied unless a petition in  
20 opposition to the same, signed by not less than 5% of the qualified electors of the school  
21 district, is filed with the county election officer of the home county of the school district  
22 within 30 days after the publication of this resolution. If a petition is filed, the county election  
23 officer shall submit the question of whether the levy of such a tax shall be authorized in  
24 accordance with the provisions of this resolution to the electors of the school district at the  
25 next general election of the school district, as is specified by the board of education of the  
26 school district.

27 CERTIFICATE

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

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

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

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

5 ~~(e) Any resolution adopted pursuant to this section for school year~~  
 6 ~~2005-2006 shall not be subject to the provisions of subsection (d) relating~~  
 7 ~~to publication, protest or election.~~

8 Sec. 2. K.S.A. 2006 Supp. 72-6451 is hereby amended to read as  
 9 follows: 72-6451. (a) As used in this section:

10 (1) "School district" or "district" means a school district which: (A)  
 11 Has a declining enrollment; and (B) ~~for school year 2005-2006, has~~  
 12 ~~adopted a local option budget in an amount which equals at least 25%;~~  
 13 ~~or (C) for school year 2006-2007 and each school year thereafter, has~~  
 14 ~~adopted a local option budget in an amount which equals the state pre-~~  
 15 ~~scribed percentage at the time the district applies to the state board of~~  
 16 ~~tax appeals for authority to make a levy pursuant to this section.~~

17 (2) "Declining enrollment" means an enrollment which has declined  
 18 in amount from that of the preceding school year.

19 (b) (1) A school district may levy an ad valorem tax on the taxable  
 20 tangible property of the district each year for a period of time not to  
 21 exceed two years in an amount not to exceed the amount authorized by  
 22 the state board of tax appeals under this subsection for the purpose of  
 23 financing the costs incurred by the state that are directly attributable to  
 24 assignment of declining enrollment weighting to enrollment of the dis-  
 25 trict. The state board of tax appeals may authorize the district to make a  
 26 levy which will produce an amount that is not greater than the amount  
 27 of revenues lost as a result of the declining enrollment of the district.  
 28 Such amount shall not exceed 5% of the general fund budget of the  
 29 district in the school year in which the district applies to the state board  
 30 of tax appeals for authority to make a levy pursuant to this section.

31 (2) The board of tax appeals shall certify to the state board the amount  
 32 authorized to be produced by the levy of a tax under this section.

33 (3) The state board shall prescribe guidelines for the data that school  
 34 districts shall include in cases before the state board of tax appeals pur-  
 35 suant to this section.

36 (c) A district may levy the tax authorized pursuant to this section for  
 37 a period of time not to exceed two years unless authority to make such  
 38 levy is renewed by the state board of tax appeals. The state board of tax  
 39 appeals may renew the authority to make such levy for periods of time  
 40 not to exceed two years.

41 (d) The state board shall provide to the state board of tax appeals  
 42 such school data and information requested by the state board of tax  
 43 appeals and any other information deemed necessary by the state board.

has adopted a local option budget in an amount which equals  
 the state prescribed percentage in the school year in which  
 the district first applies to the state board of tax appeals  
 for authority to make a levy pursuant to this section.

If a district was authorized to make a levy pursuant to this  
 section in school year 2006-2007, such district shall remain  
 authorized to make such levy in school year 2007-2008 if the  
 district adopts a local option budget in an amount equal to the  
 state prescribed percentage in effect in school year 2006-2007.

1 (e) There is hereby established in every district a fund which shall be  
2 called the declining enrollment fund. Such fund shall consist of all moneys  
3 deposited therein or transferred thereto according to law. The proceeds  
4 from the tax levied by a district under authority of this section shall be  
5 credited to the declining enrollment fund of the district. The proceeds  
6 from the tax levied by a district credited to the declining enrollment fund  
7 shall be remitted to the state treasurer in accordance with the provisions  
8 of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
9 remittance, the state treasurer shall deposit the entire amount in the state  
10 treasury to the credit of the state school district finance fund.

11 Sec. 3. K.S.A. 2006 Supp. 72-6449 and 72-6451 are hereby repealed.

12 Sec. 4. This act shall take effect and be in force from and after its  
13 publication in the ~~statute book~~ ***Kansas register***.

SENATE BILL NO. 69

To grandfather those districts levying a tax in school year 2006-2007 and allow those districts to levy the maximum amount allowed under this section:

(5) If a district was authorized to make a levy pursuant to this section in school year 2006-2007, such district shall remain authorized to levy such tax at a rate not to exceed the maximum amount allowed by this section if: (A) The amount determined under (4) is a positive number; and (B) the district continues to adopt a local option budget in an amount equal to the state prescribed percentage in effect in school year 2006-2007.

SENATE BILL No. 69

By Committee on Education

1-11

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House Education Committee  
Date 3-13-07  
Attachment # 3

House Education Committee

10 AN ACT concerning school districts; relating to school finance; amend-  
11 ing K.S.A. 2006 Supp. 72-6449 and 72-6451 and repealing the existing  
12 sections;

also repealing KSA 2006 Supp. 72-6450

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2006 Supp. 72-6449 is hereby amended to read as  
16 follows: 72-6449. (a) ~~As used in this section, "school district" or "district"~~  
17 ~~means a school district authorized to make a levy under this section.~~

(a) As used in this section:

18 (b) The board of education of any district may levy a tax on the taxable  
19 tangible property within the district for the purpose of financing the costs  
20 incurred by the state that are attributable directly to assignment of the  
21 cost of living weighting to the enrollment of the district. There is hereby  
22 established in every school district a fund which shall be called the cost  
23 of living fund, which fund shall consist of all moneys deposited therein  
24 or transferred thereto in accordance with law. All moneys derived from  
25 a tax imposed pursuant to this section shall be credited to the cost of  
26 living fund. The proceeds from the tax levied by a district credited to the  
27 cost of living fund shall be remitted to the state treasurer in accordance  
28 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
29 receipt of each such remittance, the state treasurer shall deposit the entire  
30 amount in the state treasury to the credit of the state school district fi-  
31 nance fund.

(1) "School district" or "district" means an under-served school district has adopted a local option budget in an amount equal to the state prescribed percentage.

32 (c) ~~The state board of education shall determine whether a district~~  
33 ~~may levy a tax under this section as follows:~~

(2) "Underserved school district" means a district in which the percentage of teachers who are not licensed or endorsed in the area in which they are teaching and the number of vacancies on June 1 of each school year is above the average statewide percentage of teachers who are not licensed or endorsed in the area in which they are teaching and the average number of vacancies on June 1 of each school year.

34 (1) ~~Determine the statewide average appraised value of single family~~  
35 ~~residences for the calendar year preceding the current school year;~~

36 (2) ~~multiply the amount determined under (1) by 1.25;~~

37 (3) ~~determine the average appraised value of single family residences~~  
38 ~~in each school district for the calendar year preceding the current school~~  
39 ~~year; and~~

40 (4) ~~subtract the amount determined under (2) from the amount de-~~  
41 ~~termined under (3). If the amount determined for the district under (4)~~  
42 ~~is a positive number and the district is authorized to adopt and has~~  
43 ~~adopted a local option budget in an amount equal to the state prescribed~~

2  
2

1 ~~percentage in the current school year which equals at least 25%, the~~  
2 ~~district qualifies for assignment of cost of living weighting and may levy~~  
3 ~~a tax on the taxable tangible property of the district for the purpose of~~  
4 ~~financing the costs that are attributable directly to assignment of the cost~~  
5 ~~of living weighting to enrollment of the district.~~

6 (d) Except as provided by subsection (e), no tax may be levied under  
7 this section unless the board of education adopts a resolution authorizing  
8 such a tax levy and publishes the resolution at least once in a newspaper  
9 having general circulation in the district. Except as provided by subsection  
10 (e), the resolution shall be published in substantial compliance with the  
11 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  
18 attributable directly to the assignment of cost of living weighting to the enrollment of the  
19 district. The ad valorem tax authorized by this resolution may be levied unless a petition in  
20 opposition to the same, signed by not less than 5% of the qualified electors of the school  
21 district, is filed with the county election officer of the home county of the school district  
22 within 30 days after the publication of this resolution. If a petition is filed, the county election  
23 officer shall submit the question of whether the levy of such a tax shall be authorized in  
24 accordance with the provisions of this resolution to the electors of the school district at the  
25 next general election of the school district, as is specified by the board of education of the  
26 school district.

27 CERTIFICATE

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

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

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

(c) The state board may authorize the district to make a  
levy which will produce an amount that is not greater than an  
amount equal to 5% of the general fund budget of the district  
in the school year in which the district applies to the state  
board for authority to make a levy pursuant to this section.

(d) No



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

5 ~~(c) Any resolution adopted pursuant to this section for school year~~  
6 ~~2005-2006 shall not be subject to the provisions of subsection (d) relating~~  
7 ~~to publication, protest or election.~~

8 Sec. 2. K.S.A. 2006 Supp. 72-6451 is hereby amended to read as  
9 follows: 72-6451. (a) As used in this section:

10 (1) "School district" or "district" means a school district which: (A)  
11 Has a declining enrollment; and (B) ~~for school year 2005-2006, has~~  
12 ~~adopted a local option budget in an amount which equals at least 25%;~~  
13 ~~or (C) for school year 2006-2007 and each school year thereafter, has~~  
14 ~~adopted a local option budget in an amount which equals the state pre-~~  
15 ~~scribed percentage at the time the district applies to the state board of~~  
16 ~~tax appeals for authority to make a levy pursuant to this section.~~

17 (2) "Declining enrollment" means an enrollment which has declined  
18 in amount from that of the preceding school year.

19 (b) (1) A school district may levy an ad valorem tax on the taxable  
20 tangible property of the district each year for a period of time not to  
21 exceed two years in an amount not to exceed the amount authorized by  
22 the state board of tax appeals under this subsection for the purpose of  
23 financing the costs incurred by the state that are directly attributable to  
24 assignment of declining enrollment weighting to enrollment of the dis-  
25 trict. The state board of tax appeals may authorize the district to make a  
26 levy which will produce an amount that is not greater than the amount  
27 of revenues lost as a result of the declining enrollment of the district.  
28 Such amount shall not exceed 5% of the general fund budget of the  
29 district in the school year in which the district applies to the state board  
30 of tax appeals for authority to make a levy pursuant to this section.

31 (2) The board of tax appeals shall certify to the state board the amount  
32 authorized to be produced by the levy of a tax under this section.

33 (3) The state board shall prescribe guidelines for the data that school  
34 districts shall include in cases before the state board of tax appeals pur-  
35 suant to this section.

36 (c) A district may levy the tax authorized pursuant to this section for  
37 a period of time not to exceed two years unless authority to make such  
38 levy is renewed by the state board of tax appeals. The state board of tax  
39 appeals may renew the authority to make such levy for periods of time  
40 not to exceed two years.

41 (d) The state board shall provide to the state board of tax appeals  
42 such school data and information requested by the state board of tax  
43 appeals and any other information deemed necessary by the state board.

7-4  
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1 (e) There is hereby established in every district a fund which shall be  
 2 called the declining enrollment fund. Such fund shall consist of all moneys  
 3 deposited therein or transferred thereto according to law. The proceeds  
 4 from the tax levied by a district under authority of this section shall be  
 5 credited to the declining enrollment fund of the district. The proceeds  
 6 from the tax levied by a district credited to the declining enrollment fund  
 7 shall be remitted to the state treasurer in accordance with the provisions  
 8 of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
 9 remittance, the state treasurer shall deposit the entire amount in the state  
 10 treasury to the credit of the state school district finance fund.

Sec. 3. See Attached

11 Sec. 3. K.S.A. 2006 Supp. 72-6449 and 72-6451 are hereby repealed.

, 72-6450

12 Sec. 4. This act shall take effect and be in force from and after its  
 13 publication in the ~~statute book~~ **Kansas register**.

“New Sec. 3. (a) In each school year, each district that imposes a cost of living levy pursuant to K.S.A. 2006 Supp. 72-6449, and amendments thereto, is eligible for entitlement to an amount of cost of living state aid. Entitlement of a district to such state aid shall be determined by the state board as provided in this subsection. The state board shall:

(1) Determine the amount of the assessed valuation per pupil in the preceding school year of each district in the state;

(2) rank the districts from low to high on the basis of the amounts of assessed valuation per pupil determined under (1);

(3) identify the amount of the assessed valuation per pupil located at the 75th percentile of the amounts ranked under (2);

(4) divide the assessed valuation per pupil of the district in the preceding school year by the amount identified under (3);

(5) subtract the ratio obtained under (4) from 1.0. If the resulting ratio equals or exceeds 1.0, the eligibility of the district for entitlement to cost of living state aid shall lapse. If the resulting ratio is less than 1.0, the district is entitled to receive cost of living state aid in an amount which shall be determined by the state board by multiplying the amount the district is obligated to pay under subsection (b) of K.S.A. 2006 Supp. 72-6449, and amendments thereto, by such ratio. The product is the amount of cost of living state aid the district is entitled to receive for the school year.

(b) If the amount of appropriations for cost of living state aid is less than the amount each district is entitled to receive for the school year, the state board shall prorate the amount appropriated among the districts in proportion to the amount each district is entitled to receive.

(c) The state board shall prescribe the dates upon which the distribution of payments of cost of living state aid to school districts shall be due. Payments of such state aid shall be distributed to districts on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due each district, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the district. Upon receipt of the warrant, the treasurer of the district shall credit the amount thereof to the cost of living fund of the district to be used for the purposes of such fund.

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

Renumber sections;

On page 3, following line 7, by inserting:

“Sec. 2. K.S.A. 2006 Supp. 72-6450 is hereby amended to read as follows: 72-6450. The cost of living weighting of a district shall be determined by the state board in each school year in which such weighting may be assigned to enrollment of the district as follows:

(1) Divide the amount determined under subsection (c)(4) of K.S.A. 2006 Supp. 72-6449, and amendments thereto, by the amount determined under subsection (c)(2) of K.S.A. 2006 Supp. 72-6449, and amendments thereto;

(2) multiply the dividend determined under (1) by .095;

(3) (A) multiply the district's state financial aid, excluding the amount determined under this provision, by the lesser of the product determined under (2) or ~~.05~~ .04 in school year 2007-2008;

(B) multiply the district's state financial aid, excluding the amount determined under this provision, by the lesser of the product determined under (2) or .03 in school year 2008-2009;

(C) multiply the district's state financial aid, excluding the amount determined under this provision, by the lesser of the product determined under (2) or .02 in school year 2009-2010; and

(4) divide the product determined under (3) by the base state aid per pupil for the current school year. The quotient is the cost of living weighting of the district.”;

By renumbering sections;

Title and repealer changes

House Education Committee

Date: 3-13-07

Attachment # 4