

HOUSE BILL No. 2594

By Committee on Vision 2020

2-1

1 AN ACT concerning school districts; relating to changes to the school
2 finance formula; amending K.S.A. 2011 Supp. 72-3607, 72-6407, 72-
3 6410, 72-6412, 72-6414a, 72-6414b, 72-6421, 72-6423, 72-6426, 72-
4 6431, 72-6433, 72-6434, 72-6441, 72-6449, 72-6451, 72-6460, 72-
5 8237, 72-9509, 72-9609 and 79-201x and repealing the existing
6 sections.

7

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

9 Section 1. K.S.A. 2011 Supp. 72-3607 is hereby amended to read as
10 follows: 72-3607. (a) There is hereby established in every school district
11 which has developed and is operating a parent education program for
12 which grants are awarded under this act a fund which shall be called the
13 parent education program fund, which fund shall consist of all moneys
14 deposited therein or transferred thereto according to law. Notwithstanding
15 any other provision of law, all moneys received by the school district from
16 whatever source for a parent education program operated under this act
17 shall be credited to the fund established by this section. Amounts deposited
18 in the parent education program fund shall be used exclusively for the
19 payment of expenses directly attributable to the program.

20 (b) Any unencumbered balance of moneys ~~remaining~~ in the parent
21 education program fund of a school district ~~on June 30, 2011,~~ may be
22 expended in ~~school year 2011-2012~~ *school years 2013-2014 through*
23 *school year 2016-2017* by the school district for general operating
24 expenses of the school district as approved by the board of education.

25 Sec. 2. K.S.A. 2011 Supp. 72-6407 is hereby amended to read as
26 follows: 72-6407. (a) (1) "Pupil" means any person who is regularly
27 enrolled in a district and attending kindergarten or any of the grades one
28 through 12 maintained by the district or who is regularly enrolled in a
29 district and attending kindergarten or any of the grades one through 12 in
30 another district in accordance with an agreement entered into under
31 authority of K.S.A. 72-8233, and amendments thereto, or who is regularly
32 enrolled in a district and attending special education services provided for
33 preschool-aged exceptional children by the district.

34 (2) Except as otherwise provided in paragraph (3) of this subsection,
35 a pupil in attendance full time shall be counted as one pupil. A pupil in
36 attendance part time shall be counted as that proportion of one pupil (to the

1 nearest $\frac{1}{10}$) that the pupil's attendance bears to full-time attendance. A
2 pupil attending kindergarten shall be counted as $\frac{1}{2}$ pupil. A pupil enrolled
3 in and attending an institution of postsecondary education which is
4 authorized under the laws of this state to award academic degrees shall be
5 counted as one pupil if the pupil's postsecondary education enrollment and
6 attendance together with the pupil's attendance in either of the grades 11 or
7 12 is at least $\frac{5}{6}$ time, otherwise the pupil shall be counted as that
8 proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the pupil's
9 postsecondary education attendance and attendance in grade 11 or 12, as
10 applicable, bears to full-time attendance. A pupil enrolled in and attending
11 an area vocational school, area vocational-technical school or approved
12 vocational education program shall be counted as one pupil if the pupil's
13 vocational education enrollment and attendance together with the pupil's
14 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
15 the pupil shall be counted as that proportion of one pupil (to the nearest
16 $\frac{1}{10}$) that the total time of the pupil's vocational education attendance and
17 attendance in any of grades nine through 12 bears to full-time attendance.
18 A pupil enrolled in a district and attending a non-virtual school and also
19 attending a virtual school shall be counted as that proportion of one pupil
20 (to the nearest $\frac{1}{10}$) that the pupil's attendance at the non-virtual school
21 bears to full-time attendance. Except as provided by this section for
22 preschool-aged exceptional children and virtual school pupils, a pupil
23 enrolled in a district and attending special education and related services,
24 provided for by the district shall be counted as one pupil. A pupil enrolled
25 in a district and attending special education and related services provided
26 for by the district and also attending a virtual school shall be counted as
27 that proportion of one pupil (to the nearest $\frac{1}{10}$) that the pupil's attendance
28 at the non-virtual school bears to full-time attendance. A pupil enrolled in a
29 district and attending special education and related services for preschool-
30 aged exceptional children provided for by the district shall be counted as
31 $\frac{1}{2}$ pupil. A preschool-aged at-risk pupil enrolled in a district and receiving
32 services under an approved at-risk pupil assistance plan maintained by the
33 district shall be counted as $\frac{1}{2}$ pupil. A pupil in the custody of the secretary
34 of social and rehabilitation services or in the custody of the commissioner
35 of juvenile justice and enrolled in unified school district No. 259,
36 Sedgwick county, Kansas, but housed, maintained, and receiving
37 educational services at the Judge James V. Riddel Boys Ranch, shall be
38 counted as two pupils. Except as provided in section 1 of chapter 76 of the
39 2009 Session Laws of the state of Kansas, and amendments thereto, a
40 pupil in the custody of the secretary of social and rehabilitation services or
41 in the custody of the commissioner of juvenile justice and enrolled in
42 unified school district No. 409, Atchison, Kansas, but housed, maintained
43 and receiving educational services at the youth residential center located

1 on the grounds of the former Atchison juvenile correctional facility, shall
2 be counted as two pupils.

3 (3) A pupil residing at the Flint Hills job corps center shall not be
4 counted. A pupil confined in and receiving educational services provided
5 for by a district at a juvenile detention facility shall not be counted. A pupil
6 enrolled in a district but housed, maintained, and receiving educational
7 services at a state institution or a psychiatric residential treatment facility
8 shall not be counted.

9 (b) "Preschool-aged exceptional children" means exceptional
10 children, except gifted children, who have attained the age of three years
11 but are under the age of eligibility for attendance at kindergarten.

12 (c) "At-risk pupils" means pupils who are eligible for free meals
13 under the national school lunch act and who are enrolled in a district which
14 maintains an approved at-risk pupil assistance plan.

15 (d) "Preschool-aged at-risk pupil" means an at-risk pupil who has
16 attained the age of four years, is under the age of eligibility for attendance
17 at kindergarten, and has been selected by the state board in accordance
18 with guidelines consonant with guidelines governing the selection of
19 pupils for participation in head start programs.

20 (e) "Enrollment" means: (1) (A) Subject to the provisions of
21 paragraph (1)(B), for districts scheduling the school days or school hours
22 of the school term on a trimestral or quarterly basis, the number of pupils
23 regularly enrolled in the district on September 20 plus the number of
24 pupils regularly enrolled in the district on February 20 less the number of
25 pupils regularly enrolled on February 20 who were counted in the
26 enrollment of the district on September 20; and for districts not specified
27 in this paragraph (1), the number of pupils regularly enrolled in the district
28 on September 20; (B) a pupil who is a foreign exchange student shall not
29 be counted unless such student is regularly enrolled in the district on
30 September 20 and attending kindergarten or any of the grades one through
31 12 maintained by the district for at least one semester or two quarters or
32 the equivalent thereof;

33 (2) if enrollment in a district in any school year has decreased from
34 enrollment in the preceding school year, enrollment of the district in the
35 current school year means whichever is the greater of (A) enrollment in
36 the preceding school year minus enrollment in such school year of
37 preschool-aged at-risk pupils, if any such pupils were enrolled, plus
38 enrollment in the current school year of preschool-aged at-risk pupils, if
39 any such pupils are enrolled, or (B) the sum of enrollment in the current
40 school year of preschool-aged at-risk pupils, if any such pupils are
41 enrolled and the average (mean) of the sum of (i) enrollment of the district
42 in the current school year minus enrollment in such school year of
43 preschool-aged at-risk pupils, if any such pupils are enrolled and (ii)

1 enrollment in the preceding school year minus enrollment in such school
2 year of preschool-aged at-risk pupils, if any such pupils were enrolled and
3 (iii) enrollment in the school year next preceding the preceding school year
4 minus enrollment in such school year of preschool-aged at-risk pupils, if
5 any such pupils were enrolled; or

6 (3) the number of pupils as determined under K.S.A. 72-6447 or
7 K.S.A. 2011 Supp. 72-6448, and amendments thereto.

8 (f) (1) "Adjusted enrollment" means *for school year 2012-2013,*
9 *school year 2017-2018 and each school year thereafter:* (†) (A)
10 Enrollment adjusted by adding at-risk pupil weighting, program weighting,
11 low enrollment weighting, if any, high density at-risk pupil weighting, if
12 any, medium density at-risk pupil weighting, if any, nonproficient pupil
13 weighting, if any, high enrollment weighting, if any, declining enrollment
14 weighting, if any, school facilities weighting, if any, ancillary school
15 facilities weighting, if any, cost of living weighting, if any, special
16 education and related services weighting, and transportation weighting to
17 enrollment; or (‡) (B) adjusted enrollment as determined under K.S.A.
18 2011 Supp. 72-6457 or 72-6458, and amendments thereto.

19 (2) "*Adjusted enrollment*" means *for school years 2013-2014 through*
20 *school year 2016-2017 enrollment adjusted by adding at-risk pupil*
21 *weighting, program weighting, low enrollment weighting, if any, high*
22 *density at-risk pupil weighting, if any, medium density at-risk pupil*
23 *weighting, if any, school facilities weighting, if any, special education and*
24 *related services weighting, and transportation weighting to enrollment.*

25 (g) "At-risk pupil weighting" means an addend component assigned
26 to enrollment of districts on the basis of enrollment of at-risk pupils.

27 (h) "Program weighting" means an addend component assigned to
28 enrollment of districts on the basis of pupil attendance in educational
29 programs which differ in cost from regular educational programs.

30 (i) "Low enrollment weighting" means an addend component
31 assigned to enrollment of districts pursuant to K.S.A. 72-6412, and
32 amendments thereto, on the basis of costs attributable to maintenance of
33 educational programs by such districts in comparison with costs
34 attributable to maintenance of educational programs by districts having to
35 which high enrollment weighting is assigned pursuant to K.S.A. 2011
36 Supp. 72-6442b, and amendments thereto.

37 (j) "School facilities weighting" means an addend component
38 assigned to enrollment of districts on the basis of costs attributable to
39 commencing operation of new school facilities.

40 (k) "Transportation weighting" means an addend component assigned
41 to enrollment of districts on the basis of costs attributable to the provision
42 or furnishing of transportation.

43 (l) "Cost of living weighting" means an addend component assigned

1 to enrollment of districts to which the provisions of K.S.A. 2011 Supp. 72-
2 6449, and amendments thereto, apply on the basis of costs attributable to
3 the cost of living in the district.

4 (m) "Ancillary school facilities weighting" means an addend
5 component assigned to enrollment of districts to which the provisions of
6 K.S.A. 72-6441, and amendments thereto, apply on the basis of costs
7 attributable to commencing operation of new school facilities. Ancillary
8 school facilities weighting may be assigned to enrollment of a district only
9 if the district has levied a tax under authority of K.S.A. 72-6441, and
10 amendments thereto, and remitted the proceeds from such tax to the state
11 treasurer. Ancillary school facilities weighting is in addition to assignment
12 of school facilities weighting to enrollment of any district eligible for such
13 weighting.

14 (n) "Juvenile detention facility" has the meaning ascribed thereto by
15 72-8187, and amendments thereto.

16 (o) "Special education and related services weighting" means an
17 addend component assigned to enrollment of districts on the basis of costs
18 attributable to provision of special education and related services for
19 pupils determined to be exceptional children.

20 (p) "Virtual school" means any school or educational program that:
21 (1) Is offered for credit; (2) uses distance-learning technologies which
22 predominately use internet-based methods to deliver instruction; (3)
23 involves instruction that occurs asynchronously with the teacher and pupil
24 in separate locations; (4) requires the pupil to make academic progress
25 toward the next grade level and matriculation from kindergarten through
26 high school graduation; (5) requires the pupil to demonstrate competence
27 in subject matter for each class or subject in which the pupil is enrolled as
28 part of the virtual school; and (6) requires age-appropriate pupils to
29 complete state assessment tests.

30 (q) "Declining enrollment weighting" means an addend component
31 assigned to enrollment of districts to which the provisions of K.S.A. 2011
32 Supp. 72-6451, and amendments thereto, apply on the basis of reduced
33 revenues attributable to the declining enrollment of the district.

34 (r) "High enrollment weighting" means an addend component
35 assigned to enrollment of districts pursuant to K.S.A. 2011 Supp. 72-
36 6442b, and amendments thereto, on the basis of costs attributable to
37 maintenance of educational programs by such districts as a correlate to low
38 enrollment weighting assigned to enrollment of districts pursuant to
39 K.S.A. 72-6412, and amendments thereto.

40 (s) "High density at-risk pupil weighting" means an addend
41 component assigned to enrollment of districts to which the provisions of
42 K.S.A. 2011 Supp. 72-6455, and amendments thereto, apply.

43 (t) "Nonproficient pupil" means a pupil who is not eligible for free

1 meals under the national school lunch act and who has scored less than
2 proficient on the mathematics or reading state assessment during the
3 preceding school year and who is enrolled in a district which maintains an
4 approved proficiency assistance plan.

5 (u) "Nonproficient pupil weighting" means an addend component
6 assigned to enrollment of districts on the basis of enrollment of
7 nonproficient pupils pursuant to K.S.A. 2011 Supp. 72-6454, and
8 amendments thereto.

9 (v) "Psychiatric residential treatment facility" has the meaning
10 ascribed thereto by K.S.A. 72-8187, and amendments thereto.

11 (w) "Medium density at-risk pupil weighting" means an addend
12 component assigned to enrollment of districts to which the provisions of
13 K.S.A. 2011 Supp. 72-6459, and amendments thereto, apply.

14 Sec. 3. K.S.A. 2011 Supp. 72-6410 is hereby amended to read as
15 follows: 72-6410. (a) "State financial aid" means an amount equal to the
16 product obtained by multiplying base state aid per pupil by the adjusted
17 enrollment of a district.

18 (b) (1) "Base state aid per pupil" means an amount of state financial
19 aid per pupil. Subject to the other provisions of this subsection, the amount
20 of base state aid per pupil is \$4,433 in school year 2008-2009 and \$4,492
21 in school year 2009-2010 and each school year thereafter.

22 (2) *Except as provided by subsection (b) (3), the amount of base state*
23 *aid per pupil is subject to reduction commensurate with any reduction*
24 *under K.S.A. 75-6704, and amendments thereto, in the amount of the*
25 *appropriation from the state general fund for general state aid. If the*
26 *amount of appropriations for general state aid is insufficient to pay in full*
27 *the amount each district is entitled to receive for any school year, the*
28 *amount of base state aid per pupil for such school year is subject to*
29 *reduction commensurate with the amount of the insufficiency.*

30 (3) *The provisions of subsection (b)(2) shall not apply in school years*
31 *2013-2014 through school year 2016-2017. For school years 2013-2014*
32 *through school year 2016-2017, the amount of base state aid per pupil*
33 *shall be as follows:*

34 (A) *For school year 2013-2014, the amount of base state aid per*
35 *pupil shall be not less than \$4,079.*

36 (B) *For school years 2014-2015 through school year 2016-2017, the*
37 *amount of base state aid per pupil shall be not less than 102% of the base*
38 *state aid per pupil for the immediately preceding school year.*

39 (c) "Local effort" means the sum of an amount equal to the proceeds
40 from the tax levied under authority of K.S.A. 72-6431, and amendments
41 thereto, and an amount equal to any unexpended and unencumbered
42 balance remaining in the general fund of the district, except amounts
43 received by the district and authorized to be expended for the purposes

1 specified in K.S.A. 72-6430, and amendments thereto, and an amount
2 equal to any unexpended and unencumbered balances remaining in the
3 program weighted funds of the district, except any amount in the
4 vocational education fund of the district if the district is operating an area
5 vocational school, and an amount equal to any remaining proceeds from
6 taxes levied under authority of K.S.A. 72-7056 and 72-7072, and
7 amendments thereto, prior to the repeal of such statutory sections, and an
8 amount equal to the amount deposited in the general fund in the current
9 school year from amounts received in such year by the district under the
10 provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto,
11 and an amount equal to the amount deposited in the general fund in the
12 current school year from amounts received in such year by the district
13 pursuant to contracts made and entered into under authority of K.S.A. 72-
14 6757, and amendments thereto, and an amount equal to the amount
15 credited to the general fund in the current school year from amounts
16 distributed in such year to the district under the provisions of articles 17
17 and 34 of chapter 12 of Kansas Statutes Annotated and under the
18 provisions of articles 42 and 51 of chapter 79 of Kansas Statutes
19 Annotated, and an amount equal to the amount of payments received by
20 the district under the provisions of K.S.A. 72-979, and amendments
21 thereto, and an amount equal to the amount of a grant, if any, received by
22 the district under the provisions of K.S.A. 72-983, and amendments
23 thereto, and an amount equal to 70% of the federal impact aid of the
24 district.

25 (d) "Federal impact aid" means an amount equal to the federally
26 qualified percentage of the amount of moneys a district receives in the
27 current school year under the provisions of title I of public law 874 and
28 congressional appropriations therefor, excluding amounts received for
29 assistance in cases of major disaster and amounts received under the low-
30 rent housing program. The amount of federal impact aid defined herein as
31 an amount equal to the federally qualified percentage of the amount of
32 moneys provided for the district under title I of public law 874 shall be
33 determined by the state board in accordance with terms and conditions
34 imposed under the provisions of the public law and rules and regulations
35 thereunder.

36 Sec. 4. K.S.A. 2011 Supp. 72-6412 is hereby amended to read as
37 follows: 72-6412. (a) The low enrollment weighting shall be determined
38 by the state board as provided by this section.

39 (b) For districts with enrollment of 1,637 or more in school year
40 2006-2007, and 1,622 or more in school year 2007-2008 and each school
41 year thereafter, the low enrollment weighting shall be 0.

42 (c) *Except as provided by subsection (e)*, for districts with enrollment
43 of less than 100, the low enrollment weighting shall be equal to the low

1 enrollment weighting of a district with enrollment of 100.

2 (d) *Except as provided by subsection (e), for districts with enrollment*
3 *of less than 1,637 in school year 2006-2007 and less than 1,622 in school*
4 *year 2007-2008 and each school year thereafter and more than 99, the low*
5 *enrollment weighting shall be determined by the state board as follows:*

6 (1) Determine the low enrollment weighting for such districts for
7 school year 2004-2005;

8 (2) multiply the low enrollment weighting of each district determined
9 under paragraph (1) by 3,863;

10 (3) add 3,863 to the product obtained under paragraph (2);

11 (4) divide the product obtained under paragraph (3) by 4,107; and

12 (5) subtract 1 from the product obtained under paragraph (4). The
13 difference shall be the low enrollment weighting of the district.

14 (e) *For school years 2013-2014 through school year 2016-2017, the*
15 *low enrollment weighting as determined in accordance with this section*
16 *shall not exceed 0.9.*

17 Sec. 5. K.S.A. 2011 Supp. 72-6414a is hereby amended to read as
18 follows: 72-6414a. (a) There is hereby established in every district a fund
19 which shall be called the at-risk education fund, which fund shall consist
20 of all moneys deposited therein or transferred thereto according to law.
21 The expenses of a district directly attributable to providing at-risk
22 assistance or programs, including assistance or programs provided to
23 nonproficient pupils, shall be paid from the at-risk education fund.

24 (b) Any balance remaining in the at-risk education fund at the end of
25 the budget year shall be carried forward into the at-risk education fund for
26 succeeding budget years. Such fund shall not be subject to the provisions
27 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
28 the budget of such school district, the amounts credited to and the amount
29 on hand in the at-risk education fund, and the amount expended therefrom
30 shall be included in the annual budget for the information of the residents
31 of the school district. Interest earned on the investment of moneys in any
32 such fund shall be credited to that fund.

33 Any unencumbered balance of moneys ~~remaining~~ in the at-risk
34 education fund of a school district ~~on June 30, 2011,~~ may be expended in
35 ~~school year 2011-2012~~ *school years 2013-2014 through school year*
36 *2016-2017* by the school district for general operating expenses of the
37 school district as approved by the board of education.

38 (c) Each year the board of education of each school district shall
39 prepare and submit to the state board a report on the at-risk program or
40 assistance provided by the district. Such report shall include information
41 specifying the number of at-risk pupils and nonproficient pupils who were
42 served or provided assistance, the type of service provided, the research
43 upon which the district relied in determining that a need for service or

1 assistance existed, the results of providing such service or assistance and
2 any other information required by the state board.

3 (d) In order to achieve uniform reporting of the number of at-risk
4 pupils and nonproficient pupils provided service or assistance by school
5 districts in at-risk programs, districts shall report the number of at-risk
6 pupils and nonproficient pupils served or assisted in the manner required
7 by the state board.

8 Sec. 6. K.S.A. 2011 Supp. 72-6414b is hereby amended to read as
9 follows: 72-6414b. (a) There is hereby established in every district a fund
10 which shall be called the preschool-aged at-risk education fund, which
11 fund shall consist of all moneys deposited therein or transferred thereto
12 according to law. The expenses of a district directly attributable to
13 providing preschool-aged at-risk assistance or programs shall be paid from
14 the preschool-aged at-risk education fund.

15 (b) A school district may expend amounts received from the
16 preschool-aged at-risk weighting to pay the cost of providing at-risk,
17 bilingual and vocational education programs and services.

18 (c) Any balance remaining in the preschool-aged at-risk education
19 fund at the end of the budget year shall be carried forward into the
20 preschool-aged at-risk education fund for succeeding budget years. Such
21 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
22 2937, and amendments thereto. In preparing the budget of such school
23 district, the amounts credited to and the amount on hand in the preschool-
24 aged at-risk education fund, and the amount expended therefrom shall be
25 included in the annual budget for the information of the residents of the
26 school district. Interest earned on the investment of moneys in any such
27 fund shall be credited to that fund.

28 Any unencumbered balance of moneys ~~remaining~~ in the preschool-aged
29 at-risk education fund of a school district ~~on June 30, 2011,~~ may be
30 expended in ~~school year 2011-2012~~ *school years 2013-2014 through*
31 *school year 2016-2017* by the school district for general operating
32 expenses of the school district as approved by the board of education.

33 (d) Each year the board of education of each school district shall
34 prepare and submit to the state board a report on the preschool-aged at-risk
35 program or assistance provided by the district. Such report shall include
36 information specifying the number of pupils who were served or provided
37 assistance, the type of service provided, the research upon which the
38 district relied in determining that a need for service or assistance existed,
39 the results of providing such service or assistance and any other
40 information required by the state board.

41 Sec. 7. K.S.A. 2011 Supp. 72-6421 is hereby amended to read as
42 follows: 72-6421. (a) There is hereby established in every district a fund
43 which shall be called the vocational education fund. All moneys received

1 by a district for any course or program authorized and approved under the
2 provisions of article 44 of chapter 72 of Kansas Statutes Annotated, and
3 amendments thereto, except for courses and programs conducted in an area
4 vocational school, shall be credited to the vocational education fund. All
5 moneys received by the district from tuition, fees or charges or from any
6 other source for vocational education courses or programs, except for
7 courses and programs conducted in an area vocational school, shall be
8 credited to the vocational education fund. The expenses of a district
9 directly attributable to vocational education shall be paid from the
10 vocational education fund.

11 (b) Obligations of a district pursuant to lawful agreements made
12 under K.S.A. 72-4421, and amendments thereto, shall be paid from the
13 vocational education fund established by this section. If any such
14 agreement expresses an obligation of a district in terms of a mill levy, such
15 obligation shall be construed to mean an amount equal to that which would
16 be produced by the levy.

17 (c) Any balance remaining in the vocational education fund at the end
18 of the budget year shall be carried forward into the vocational education
19 fund for succeeding budget years. Such fund shall not be subject to the
20 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
21 In preparing the budget of such school district, the amounts credited to and
22 the amount on hand in the vocational education fund, and the amount
23 expended therefrom shall be included in the annual budget for the
24 information of the residents of the school district. Interest earned on the
25 investment of moneys in any such fund shall be credited to that fund.

26 Any unencumbered balance of moneys attributable to appropriations by
27 the legislature in the vocational education fund of a school district ~~on June~~
28 ~~30, 2011,~~ may be expended in ~~school year 2011-2012-~~*school years 2013-*
29 *2014 through school year 2016-2017* by the school district for general
30 operating expenses of the school district as approved by the board of
31 education.

32 Sec. 8. K.S.A. 2011 Supp. 72-6423 is hereby amended to read as
33 follows: 72-6423. (a) There is hereby established in every district a fund
34 which shall be called the driver training fund which fund shall consist of
35 all moneys deposited therein or transferred thereto according to law. All
36 moneys received by the district from distributions made from the state
37 safety fund and the motorcycle safety fund and from tuition, fees or
38 charges for driver training courses shall be credited to the driver training
39 fund. The expenses of a district directly attributable to driver training shall
40 be paid from the driver training fund.

41 (b) Any unencumbered balance of moneys ~~remaining~~ in the driver
42 training fund of a school district ~~on June 30, 2011,~~ may be expended in
43 ~~school year 2011-2012-~~*school years 2013-2014 through school year*

1 2016-2017 by the school district for general operating expenses of the
2 school district as approved by the board of education.

3 Sec. 9. K.S.A. 2011 Supp. 72-6426 is hereby amended to read as
4 follows: 72-6426. (a) There is hereby established in every district a fund
5 which shall be called the contingency reserve fund. Such fund shall consist
6 of all moneys deposited therein or transferred thereto according to law.
7 The fund shall be maintained for payment of expenses of a district
8 attributable to financial contingencies as determined by the board.

9 (b) (1) Except as otherwise provided in subsection (c), at no time in
10 school year 2008-2009 through school year 2011-2012 shall the amount
11 maintained in the contingency reserve fund exceed an amount equal to
12 10% of the general fund budget of the district for the school year.

13 (2) Except as otherwise provided in subsection (c);: (A) At no time in
14 school year 2012-2013, *school year 2017-2018* or any school year
15 thereafter shall the amount maintained in the contingency reserve fund
16 exceed an amount equal to 6% of the general fund budget of the district for
17 the school year.

18 (B) *At no time in school years 2013-2014 through school year 2016-*
19 *2017 shall the amount maintained in the contingency reserve fund exceed*
20 *an amount equal to 30% of the general fund budget of the district for the*
21 *school year.*

22 (c) (1) If the amount in the contingency reserve fund of a district is in
23 excess of the amount authorized under subsection (b), and if such excess
24 amount is the result of a reduction in the general fund budget of the district
25 for the school year because of a decrease in enrollment, the district may
26 maintain the excess amount in the fund until depletion of such excess
27 amount by expenditure from the fund for the purposes thereof.

28 (2) The limitation on the amount which may be maintained in the
29 contingency reserve fund imposed under subsection (b) shall not apply to
30 any district whose state financial aid is computed under the provisions of
31 K.S.A. 72-6445a, and amendments thereto. Any such district may maintain
32 the excess amount in the fund until depletion of such excess amount by
33 expenditure from the fund for the purposes thereof.

34 (d) Notwithstanding the provisions of subsection (c), any
35 unencumbered balance of moneys ~~remaining~~ in the contingency reserve
36 fund of a school district ~~on June 30, 2011,~~ may be expended in ~~school year~~
37 ~~2011-2012~~ by the school district for general operating expenses of the
38 school district as approved by the board of education.

39 Sec. 10. K.S.A. 2011 Supp. 72-6431 is hereby amended to read as
40 follows: 72-6431. (a) The board of each district shall levy an *ad valorem*
41 tax upon the taxable tangible property of the district in the school years
42 specified in subsection (b) for the purpose of:

43 (1) Financing that portion of the district's general fund budget which

1 is not financed from any other source provided by law;

2 (2) paying a portion of the costs of operating and maintaining public
3 schools in partial fulfillment of the constitutional obligation of the
4 legislature to finance the educational interests of the state; and

5 (3) with respect to any redevelopment district established prior to July
6 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a
7 portion of the principal and interest on bonds issued by cities under
8 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
9 redevelopment projects upon property located within the district.

10 (b) The tax required under subsection (a) shall be levied at a rate of
11 ~~20~~ 25 mills in the school year ~~2011-2012~~ 2013-2014 and school year ~~2012-~~
12 ~~2013~~ 2014-2015.

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

19 (d) On June 6 of each year, the amount, if any, by which a district's
20 local effort exceeds the amount of the district's state financial aid, as
21 determined by the state board, shall be remitted to the state treasurer. Upon
22 receipt of any such remittance, the state treasurer shall deposit the same in
23 the state treasury to the credit of the state school district finance fund.

24 (e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-
25 1964b, and amendments thereto.

26 Sec. 11. K.S.A. 2011 Supp. 72-6433 is hereby amended to read as
27 follows: 72-6433. (a) As used in this section:

28 (1) "State prescribed percentage" means 31% of state financial aid of
29 the district in the current school year.

30 (2) "Authorized to adopt a local option budget" means that a district
31 has adopted a resolution under this section, has published the same, and
32 either the resolution was not protested or it was protested and an election
33 was held by which the adoption of a local option budget was approved.

34 (b) (1) *Except as provided by subsection (b)(2), in each school year,*
35 *the board of any district may adopt a local option budget which does not*
36 *exceed the state prescribed percentage.*

37 (2) *For school years 2013-2014 through school year 2016-2017, a*
38 *board of any district may be eligible to adopt a local option budget which*
39 *does exceed the state prescribed percentage if the district is below the*
40 *statewide average spending per pupil for the preceding school year in*
41 *accordance with subsection (1). A local option budget adopted pursuant to*
42 *this paragraph shall not exceed 35% of the amount of state financial aid*
43 *of the district in the current school year.*

1 (c) Subject to the limitation of subsection (b), in each school year, the
 2 board of any district may adopt, by resolution, a local option budget in an
 3 amount not to exceed:

4 (1) (A) The amount which the board was authorized to adopt in
 5 accordance with the provisions of this section in effect prior to its
 6 amendment by this act; plus

7 (B) the amount which the board was authorized to adopt pursuant to
 8 any resolution currently in effect; plus

9 (C) the amount which the board was authorized to adopt pursuant to
 10 K.S.A. 72-6444, and amendments thereto, if applicable to the district; or

11 (2) the statewide average for the preceding school year as determined
 12 by the state board pursuant to subsection (j).

13 Except as provided by subsection (e), the adoption of a resolution
 14 pursuant to this subsection shall require a majority vote of the members of
 15 the board. Such resolution shall be effective upon adoption and shall
 16 require no other procedure, authorization or approval.

17 (d) *Except as provided by subsection (b)(2)*, if the board of a district
 18 desires to increase its local option budget authority above the amount
 19 authorized under subsection (c) or if the board was not authorized to adopt
 20 a local option budget in 2006-2007, the board may adopt, by resolution,
 21 such budget in an amount not to exceed the state prescribed percentage.
 22 The adoption of a resolution pursuant to this subsection shall require a
 23 majority vote of the members of the board. The resolution shall be
 24 published at least once in a newspaper having general circulation in the
 25 district. The resolution shall be published in substantial compliance with
 26 the following form:

27 Unified School District No. _____,
 28 _____ County, Kansas.

29 RESOLUTION

30 Be It Resolved that:

31 The board of education of the above-named school district shall be
 32 authorized to adopt a local option budget in each school year in an amount
 33 not to exceed _____% of the amount of state financial aid. The local option
 34 budget authorized by this resolution may be adopted, unless a petition in
 35 opposition to the same, signed by not less than 5% of the qualified electors
 36 of the school district, is filed with the county election officer of the home
 37 county of the school district within 30 days after publication of this
 38 resolution. If a petition is filed, the county election officer shall submit the
 39 question of whether adoption of the local option budget shall be authorized
 40 to the electors of the school district at an election called for the purpose or
 41 at the next general election, as is specified by the board of education of the
 42 school district.

43 CERTIFICATE

1 This is to certify that the above resolution was duly adopted by the
2 board of education of unified School District No. _____,
3 County, Kansas, on the ____ day of _____,
4 _____ Clerk of the board of education.

5 All of the blanks in the resolution shall be filled as is appropriate. If a
6 sufficient petition is not filed, the board may adopt a local option budget.
7 If a sufficient petition is filed, the board may notify the county election
8 officer of the date of an election to be held to submit the question of
9 whether adoption of a local option budget shall be authorized. Any such
10 election shall be noticed, called and held in the manner provided by K.S.A.
11 10-120, and amendments thereto. If the board fails to notify the county
12 election officer within 30 days after a sufficient petition is filed, the
13 resolution shall be deemed abandoned and no like resolution shall be
14 adopted by the board within the nine months following publication of the
15 resolution.

16 (e) Any resolution authorizing the adoption of a local option budget
17 in excess of 30% of the state financial aid of the district in the current
18 school year shall not become effective unless such resolution has been
19 submitted to and approved by a majority of the qualified electors of the
20 school district voting at an election called and held thereon. The election
21 shall be called and held in the manner provided by K.S.A. 10-120, and
22 amendments thereto.

23 (f) *Except as provided by subsection (b)(2)*, unless specifically stated
24 otherwise in the resolution, the authority to adopt a local option budget
25 shall be continuous and permanent. The board of any district which is
26 authorized to adopt a local option budget may choose not to adopt such a
27 budget or may adopt a budget in an amount less than the amount
28 authorized. If the board of any district whose authority to adopt a local
29 option budget is not continuous and permanent refrains from adopting a
30 local option budget, the authority of such district to adopt a local option
31 budget shall not be extended by such refrainment beyond the period
32 specified in the resolution authorizing adoption of such budget.

33 (g) The board of any district may initiate procedures to renew or
34 increase the authority to adopt a local option budget at any time during a
35 school year after the tax levied pursuant to K.S.A. 72-6435, and
36 amendments thereto, is certified to the county clerk under any existing
37 authorization.

38 (h) The board of any district that is authorized to adopt a local option
39 budget prior to the effective date of this act under a resolution which
40 authorized the adoption of such budget in accordance with the provisions
41 of this section in effect prior to its amendment by this act may continue to
42 operate under such resolution for the period of time specified in the
43 resolution or may abandon the resolution and operate under the provisions

1 of this section as amended by this act. Any such district shall operate under
2 the provisions of this section as amended by this act after the period of
3 time specified in the resolution has expired.

4 (i) Any resolution adopted pursuant to this section may revoke or
5 repeal any resolution previously adopted by the board. If the resolution
6 does not revoke or repeal previously adopted resolutions, all resolutions
7 which are in effect shall expire on the same date. *Except as provided by*
8 *subsection (b)(2)*, the maximum amount of the local option budget of a
9 school district under all resolutions in effect shall not exceed the state
10 prescribed percentage in any school year.

11 (j) (1) There is hereby established in every district that adopts a local
12 option budget a fund which shall be called the supplemental general fund.
13 The fund shall consist of all amounts deposited therein or credited thereto
14 according to law.

15 (2) Subject to the limitation imposed under paragraph (3) and
16 subsection (e) of K.S.A. 72-6434, and amendments thereto, amounts in the
17 supplemental general fund may be expended for any purpose for which
18 expenditures from the general fund are authorized or may be transferred to
19 any program weighted fund or categorical fund of the district. Amounts in
20 the supplemental general fund attributable to any percentage over 25% of
21 state financial aid determined for the current school year may be
22 transferred to the capital improvements fund of the district and the capital
23 outlay fund of the district if such transfers are specified in the resolution
24 authorizing the adoption of a local option budget in excess of 25%.

25 (3) Amounts in the supplemental general fund may not be expended
26 for the purpose of making payments under any lease-purchase agreement
27 involving the acquisition of land or buildings which is entered into
28 pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

29 (4) (A) Except as provided in paragraph (B), any unexpended budget
30 remaining in the supplemental general fund of a district at the conclusion
31 of any school year in which a local option budget is adopted shall be
32 maintained in such fund.

33 (B) If the district received supplemental general state aid in the
34 school year, the state board shall determine the ratio of the amount of
35 supplemental general state aid received to the amount of the local option
36 budget of the district for the school year and multiply the total amount of
37 the unexpended budget remaining by such ratio. An amount equal to the
38 amount of the product shall be transferred to the general fund of the
39 district or remitted to the state treasurer. Upon receipt of any such
40 remittance, the state treasurer shall deposit the same in the state treasury to
41 the credit of the state school district finance fund.

42 (k) Each year the state board of education shall determine the
43 statewide average percentage of local option budgets legally adopted by

1 school districts for the preceding school year.

2 (l) *Each year the state board of education shall determine the*
3 *statewide average spending per pupil for the preceding school year as*
4 *provided in this subsection:*

5 (1) *Determine the amount of state financial aid for all school districts*
6 *which are entitled to receive such moneys for the preceding school year.*

7 (2) *Determine the supplemental general state aid for all school*
8 *districts which are entitled to receive such moneys for the preceding*
9 *school year.*

10 (3) *Determine the enrollment of pupils in all school districts for the*
11 *preceding school year.*

12 (4) *Divide the sum of paragraphs (1) and (2) by paragraph (3). The*
13 *result is the statewide average per pupil for the preceding school year.*

14 (†) (m) The provisions of this section shall be subject to the provisions
15 of K.S.A. 2011 Supp. 72-6433d, and amendments thereto.

16 Sec. 12. K.S.A. 2011 Supp. 72-6434 is hereby amended to read as
17 follows: 72-6434.(a) In each school year, each district that has adopted a
18 local option budget, *which is equal to or less than the state prescribed*
19 *percentage*, is eligible for entitlement to an amount of supplemental
20 general state aid. Except as provided by K.S.A. 2011 Supp. 72-6434b, and
21 amendments thereto, entitlement of a district to supplemental general state
22 aid shall be determined by the state board as provided in this subsection.
23 The state board shall:

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

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

28 (3) identify the amount of the assessed valuation per pupil located at
29 the 81.2 percentile of the amounts ranked under (2);

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

32 (5) subtract the ratio obtained under (4) from 1.0. If the resulting ratio
33 equals or exceeds 1.0, the eligibility of the district for entitlement to
34 supplemental general state aid shall lapse. If the resulting ratio is less than
35 1.0, the district is entitled to receive supplemental general state aid in an
36 amount which shall be determined by the state board by multiplying the
37 amount of the local option budget of the district by such ratio. The product
38 is the amount of supplemental general state aid the district is entitled to
39 receive for the school year.

40 (b) If the amount of appropriations for supplemental general state aid
41 is less than the amount each district is entitled to receive for the school
42 year, the state board shall prorate the amount appropriated among the
43 districts in proportion to the amount each district is entitled to receive.

1 (c) The state board shall prescribe the dates upon which the
2 distribution of payments of supplemental general state aid to school
3 districts shall be due. Payments of supplemental general state aid shall be
4 distributed to districts on the dates prescribed by the state board. The state
5 board shall certify to the director of accounts and reports the amount due
6 each district, and the director of accounts and reports shall draw a warrant
7 on the state treasurer payable to the treasurer of the district. Upon receipt
8 of the warrant, the treasurer of the district shall credit the amount thereof
9 to the supplemental general fund of the district to be used for the purposes
10 of such fund.

11 (d) If any amount of supplemental general state aid that is due to be
12 paid during the month of June of a school year pursuant to the other
13 provisions of this section is not paid on or before June 30 of such school
14 year, then such payment shall be paid on or after the ensuing July 1, as
15 soon as moneys are available therefor. Any payment of supplemental
16 general state aid that is due to be paid during the month of June of a school
17 year and that is paid to school districts on or after the ensuing July 1 shall
18 be recorded and accounted for by school districts as a receipt for the
19 school year ending on the preceding June 30.

20 (e) (1) Except as provided by paragraph (2), moneys received as
21 supplemental general state aid shall be used to meet the requirements
22 under the school performance accreditation system adopted by the state
23 board, to provide programs and services required by law and to improve
24 student performance.

25 (2) Amounts of supplemental general state aid attributable to any
26 percentage over 25% of state financial aid determined for the current
27 school year may be transferred to the capital improvements fund of the
28 district and the capital outlay fund of the district if such transfers are
29 specified in the resolution authorizing the adoption of a local option
30 budget in excess of 25%.

31 (f) For the purposes of determining the total amount of state moneys
32 paid to school districts, all moneys appropriated as supplemental general
33 state aid shall be deemed to be state moneys for educational and support
34 services for school districts.

35 Sec. 13. K.S.A. 2011 Supp. 72-6441 is hereby amended to read as
36 follows: 72-6441. (a) (1) *Except for school years 2013-2014 through*
37 *school year 2016-2017*, the board of any district to which the provisions of
38 this subsection apply may levy an ad valorem tax on the taxable tangible
39 property of the district each year for a period of time not to exceed two
40 years in an amount not to exceed the amount authorized by the state court
41 of tax appeals under this subsection for the purpose of financing the costs
42 incurred by the state that are directly attributable to assignment of ancillary
43 school facilities weighting to enrollment of the district. The state court of

1 tax appeals may authorize the district to make a levy which will produce
2 an amount that is not greater than the difference between the amount of
3 costs directly attributable to commencing operation of one or more new
4 school facilities and the amount that is financed from any other source
5 provided by law for such purpose, including any amount attributable to
6 assignment of school facilities weighting to enrollment of the district for
7 each school year in which the district is eligible for such weighting. If the
8 district is not eligible, or will be ineligible, for school facilities weighting
9 in any one or more years during the two-year period for which the district
10 is authorized to levy a tax under this subsection, the state court of tax
11 appeals may authorize the district to make a levy, in such year or years of
12 ineligibility, which will produce an amount that is not greater than the
13 actual amount of costs attributable to commencing operation of the facility
14 or facilities.

15 (2) The state court of tax appeals shall certify to the state board of
16 education the amount authorized to be produced by the levy of a tax under
17 subsection (a).

18 (3) The state court of tax appeals may adopt rules and regulations
19 necessary to effectuate the provisions of this subsection, including rules
20 and regulations relating to the evidence required in support of a district's
21 claim that the costs attributable to commencing operation of one or more
22 new school facilities are in excess of the amount that is financed from any
23 other source provided by law for such purpose.

24 (4) The provisions of this subsection apply to any district that: (A)
25 Commenced operation of one or more new school facilities in the school
26 year preceding the current school year or has commenced or will
27 commence operation of one or more new school facilities in the current
28 school year or any or all of the foregoing; (B) is authorized to adopt and
29 has adopted a local option budget which is at least equal to that amount
30 required to qualify for school facilities weighting under K.S.A. 2011 Supp.
31 72-6415b, and amendments thereto; and (C) is experiencing extraordinary
32 enrollment growth as determined by the state board of education.

33 (b) *Except for school years 2013-2014 through school year 2016-*
34 *2017*, the board of any district that has levied an ad valorem tax on the
35 taxable tangible property of the district each year for a period of two years
36 under authority of subsection (a) may continue to levy such tax under
37 authority of this subsection each year for an additional period of time not
38 to exceed three years in an amount not to exceed the amount computed by
39 the state board of education as provided in this subsection if the board of
40 the district determines that the costs attributable to commencing operation
41 of one or more new school facilities are significantly greater than the costs
42 attributable to the operation of other school facilities in the district. The tax
43 authorized under this subsection may be levied at a rate which will

1 produce an amount that is not greater than the amount computed by the
2 state board of education as provided in this subsection. In computing such
3 amount, the state board shall: (1) Determine the amount produced by the
4 tax levied by the district under authority of subsection (a) in the second
5 year for which such tax was levied and add to such amount the amount of
6 general state aid directly attributable to school facilities weighting that was
7 received by the district in the same year; (2) compute 75% of the amount
8 of the sum obtained under (1), which computed amount is the amount the
9 district may levy in the first year of the three-year period for which the
10 district may levy a tax under authority of this subsection; (3) compute 50%
11 of the amount of the sum obtained under (1), which computed amount is
12 the amount the district may levy in the second year of the three-year period
13 for which the district may levy a tax under authority of this subsection; and
14 (4) compute 25% of the amount of the sum obtained under (1), which
15 computed amount is the amount the district may levy in the third year of
16 the three-year period for which the district may levy a tax under authority
17 of this subsection.

18 In determining the amount produced by the tax levied by the district
19 under authority of subsection (a), the state board shall include any moneys
20 which have been apportioned to the ancillary facilities fund of the district
21 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
22 5118 et seq., and amendments thereto.

23 (c) The proceeds from the tax levied by a district under authority of
24 this section shall be remitted to the state treasurer in accordance with the
25 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
26 each such remittance, the state treasurer shall deposit the entire amount in
27 the state treasury to the credit of the state school district finance fund.

28 Sec. 14. K.S.A. 2011 Supp. 72-6449 is hereby amended to read as
29 follows: 72-6449. (a) As used in this section, "school district" or "district"
30 means a school district authorized to make a levy under this section.

31 (b) *Except for school years 2013-2014 through school year 2016-*
32 *2017*, the board of education of any district may levy a tax on the taxable
33 tangible property within the district for the purpose of financing the costs
34 incurred by the state that are attributable directly to assignment of the cost
35 of living weighting to the enrollment of the district. There is hereby
36 established in every school district a fund which shall be called the cost of
37 living fund, which fund shall consist of all moneys deposited therein or
38 transferred thereto in accordance with law. All moneys derived from a tax
39 imposed pursuant to this section shall be credited to the cost of living fund.
40 The proceeds from the tax levied by a district credited to the cost of living
41 fund shall be remitted to the state treasurer in accordance with the
42 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
43 each such remittance, the state treasurer shall deposit the entire amount in

1 the state treasury to the credit of the state school district finance fund.

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

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

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

7 (3) determine the average appraised value of single family residences
8 in each school district for the calendar year preceding the current school
9 year; and

10 (4) (A) subtract the amount determined under (2) from the amount
11 determined under (3). If the amount determined for the district under this
12 paragraph is a positive number and the district is authorized to adopt and
13 has adopted a local option budget in an amount equal to at least 31% of the
14 state financial aid for the school district, the district qualifies for
15 assignment of cost of living weighting and may levy a tax on the taxable
16 tangible property of the district for the purpose of financing the costs that
17 are attributable directly to assignment of the cost of living weighting to
18 enrollment of the district; or

19 (B) as an alternative to the authority provided in paragraph (4)(A), if
20 a district was authorized to make a levy pursuant to this section in school
21 year 2006-2007, such district shall remain authorized to levy such tax at a
22 rate necessary to generate revenue in the same amount generated in school
23 year 2006-2007 if: (i) The amount determined under paragraph (4)(A) is a
24 positive number; and (ii) the district continues to adopt a local option
25 budget in an amount equal to the state prescribed percentage in effect in
26 school year 2006-2007.

27 (d) No tax may be levied under this section unless the board of
28 education adopts a resolution authorizing such a tax levy and publishes the
29 resolution at least once in a newspaper having general circulation in the
30 district. Except as provided by subsection (e), the resolution shall be
31 published in substantial compliance with the following form:

32 Unified School District No. _____,
33 _____ County, Kansas.

34 RESOLUTION

35 Be It Resolved that:

36 The board of education of the above-named school district shall be
37 authorized to levy an ad valorem tax in an amount not to exceed the
38 amount necessary to finance the costs attributable directly to the
39 assignment of cost of living weighting to the enrollment of the district. The
40 *ad valorem* tax authorized by this resolution may be levied unless a
41 petition in opposition to the same, signed by not less than 5% of the
42 qualified electors of the school district, is filed with the county election
43 officer of the home county of the school district within 30 days after the

1 publication of this resolution. If a petition is filed, the county election
 2 officer shall submit the question of whether the levy of such a tax shall be
 3 authorized in accordance with the provisions of this resolution to the
 4 electors of the school district at the next general election of the school
 5 district, as is specified by the board of education of the school district.

6 CERTIFICATE

7 This is to certify that the above resolution was duly adopted by the
 8 board of education of Unified School District No. _____,
 9 County, Kansas, on the ____ day of _____, (year)____.

10 _____
 11 Clerk of the board of education.

12 All of the blanks in the resolution shall be filled. If no petition as
 13 specified above is filed in accordance with the provisions of the resolution,
 14 the resolution authorizing the ad valorem tax levy shall become effective.
 15 If a petition is filed as provided in the resolution, the board may notify the
 16 county election officer to submit the question of whether such tax levy
 17 shall be authorized. If the board fails to notify the county election officer
 18 within 30 days after a petition is filed, the resolution shall be deemed
 19 abandoned and of no force and effect and no like resolution shall be
 20 adopted by the board within the nine months following publication of the
 21 resolution. If a majority of the votes cast in an election conducted pursuant
 22 to this provision are in favor of the resolution, such resolution shall be
 23 effective on the date of such election. If a majority of the votes cast are not
 24 in favor of the resolution, the resolution shall be deemed of no effect and
 25 no like resolution shall be adopted by the board within the nine months
 26 following such election.

27 (e) In determining the amount produced by the tax levied by the
 28 district under the authority of this section, the state board shall include any
 29 moneys which have been apportioned to the cost of living fund of the
 30 district from taxes levied under the provisions of K.S.A. 79-5101 *et seq.*
 31 and 79-5118 *et seq.*, and amendments thereto.

32 Sec. 15. K.S.A. 2011 Supp. 72-6451 is hereby amended to read as
 33 follows: 72-6451. (a) As used in this section:

34 (1) "School district" or "district" means a school district which: (A)
 35 Has a declining enrollment; and (B) has adopted a local option budget in
 36 an amount which equals at least 31% of the state financial aid for the
 37 school district at the time the district applies to the state court of tax
 38 appeals for authority to make a levy pursuant to this section.

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

41 (b) (1) *Except for school years 2013-2014 through school year 2016-*
 42 *2017:*

43 (A) A school district may levy an *ad valorem* tax on the taxable

1 tangible property of the district each year for a period of time not to
2 exceed two years in an amount not to exceed the amount authorized by the
3 state court of tax appeals under this subsection for the purpose of financing
4 the costs incurred by the state that are directly attributable to assignment of
5 declining enrollment weighting to enrollment of the district. The state
6 court of tax appeals may authorize the district to make a levy which will
7 produce an amount that is not greater than the amount of revenues lost as a
8 result of the declining enrollment of the district. Such amount shall not
9 exceed 5% of the general fund budget of the district in the school year in
10 which the district applies to the state court of tax appeals for authority to
11 make a levy pursuant to this section.

12 (B) As an alternative to the authority provided in paragraph (1)(A), if
13 a district was authorized to make a levy pursuant to this section in school
14 year 2006-2007, such district shall remain authorized to make a levy at a
15 rate necessary to generate revenue in the same amount that was generated
16 in school year 2007-2008 if the district adopts a local option budget in an
17 amount equal to the state prescribed percentage in effect in school year
18 2006-2007.

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

21 (3) The state board shall prescribe guidelines for the data that school
22 districts shall include in cases before the state court of tax appeals pursuant
23 to this section.

24 (c) A district may levy the tax authorized pursuant to this section for a
25 period of time not to exceed two years unless authority to make such levy
26 is renewed by the state court of tax appeals. The state court of tax appeals
27 may renew the authority to make such levy for periods of time not to
28 exceed two years.

29 (d) The state board shall provide to the state court of tax appeals such
30 school data and information requested by the state court of tax appeals and
31 any other information deemed necessary by the state board.

32 (e) There is hereby established in every district a fund which shall be
33 called the declining enrollment fund. Such fund shall consist of all moneys
34 deposited therein or transferred thereto according to law. The proceeds
35 from the tax levied by a district under authority of this section shall be
36 credited to the declining enrollment fund of the district. The proceeds from
37 the tax levied by a district credited to the declining enrollment fund shall
38 be remitted to the state treasurer in accordance with the provisions of
39 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
40 remittance, the state treasurer shall deposit the entire amount in the state
41 treasury to the credit of the state school district finance fund.

42 (f) In determining the amount produced by the tax levied by the
43 district under authority of this section, the state board shall include any

1 moneys which have been apportioned to the declining enrollment fund of
2 the district from taxes levied under the provisions of K.S.A. 79-5101 *et*
3 *seq.* and 79-5118 *et seq.*, and amendments thereto.

4 Sec. 16. K.S.A. 2011 Supp. 72-6460 is hereby amended to read as
5 follows: 72-6460. (a) For school ~~year 2011-2012~~ *years 2013-2014*
6 *through school year 2016-2017*, subject to any limitations as provided in
7 this act, any school district may expend the unencumbered balance of the
8 moneys held in the at-risk education fund, as provided in K.S.A. 76-6414a,
9 and amendments thereto, bilingual education fund, as provided in K.S.A.
10 72-9509, and amendments thereto, contingency reserve fund, as provided
11 in K.S.A. 72-6426, and amendments thereto, driver training fund, as
12 provided in K.S.A. 72-6423, and amendments thereto, parent education
13 program fund, as provided in K.S.A. 72-3607, and amendments thereto,
14 preschool-aged at-risk education fund, as provided in K.S.A. 72-6414b,
15 and amendments thereto, professional development fund, as provided in
16 K.S.A. 72-9609, and amendments thereto, summer program fund, as
17 provided in K.S.A. 72-8237, and amendments thereto, ~~textbook and~~
18 ~~student materials revolving fund, as provided in K.S.A. 72-8250, and~~
19 ~~amendments thereto, special education fund, as provided in K.S.A. 72-965~~
20 ~~and 72-6420, and amendments thereto, virtual school fund, as provided in~~
21 ~~K.S.A. 72-3715, and amendments thereto, and vocational education fund,~~
22 as provided in K.S.A. 72-6421, and amendments thereto, to pay for
23 general operating expenses of the district out of the general fund as
24 approved by the board of education of such district.

25 ~~The board of education of a school district shall consider the use of~~
26 ~~such funds in the following order of priority:-~~

27 ~~(1) At-risk education fund, bilingual education fund, contingency~~
28 ~~reserve fund, driver training fund, parent education program fund,~~
29 ~~preschool-aged at-risk education fund, professional development fund,~~
30 ~~summer program fund, virtual school fund and vocational education fund;~~

31 ~~(2) textbook and student materials revolving fund; and~~

32 ~~(3) special education fund.-~~

33 The board of education of a school district shall not be limited to the
34 order of priority as listed in this subsection if the board so chooses. The
35 board of education of a school district shall not be required to use the total
36 amount of the unencumbered balance of moneys in a fund before using the
37 unencumbered balance of moneys in another fund.

38 (b) ~~The amount of money expended by a school district in school~~
39 ~~year 2011-2012 from the unencumbered balance of moneys in the funds~~
40 ~~under subsection (a) of this section shall not exceed, in the aggregate, an~~
41 ~~amount determined by the state board of education. Such amount shall be~~
42 ~~determined by the state board as follows:~~

43 ~~(1) Determine the adjusted enrollment of the district, excluding~~

1 ~~special education and related services weighting;~~

2 ~~(2) subtract the amount of base state aid per pupil appropriated to the~~
3 ~~department of education for fiscal year 2012 from \$4,012; and~~

4 ~~(3) multiply the difference obtained under paragraph (2) by the~~
5 ~~number determined under paragraph (1). The product is the aggregate~~
6 ~~amount of moneys that may be expended by a school district in school~~
7 ~~year 2011-2012 from the unencumbered balance of moneys in the funds~~
8 ~~under subsection (a) of this section.~~

9 ~~(e)(b)~~ It is the public policy goal of the state of Kansas that at least
10 65% of the aggregate of all unencumbered balances authorized to be
11 expended for general operating expenses pursuant to subsection (a) shall
12 be expended in the classroom or for instruction, as provided in K.S.A.
13 2011 Supp. 72-64c01, and amendments thereto.

14 Sec. 17. K.S.A. 2011 Supp. 72-8237 is hereby amended to read as
15 follows: 72-8237. (a) The board of education of any school district may:
16 (1) Establish, operate and maintain a summer program for pupils; (2) enter
17 into cooperative or interlocal agreements with one or more other boards of
18 education for the establishment, operation and maintenance of a summer
19 program for pupils; and (3) prescribe and collect fees for providing a
20 summer program for pupils or provide such program without charge.

21 (b) Fees for providing a summer program for pupils shall be
22 prescribed and collected only to recover the costs incurred as a result of
23 and directly attributable to the establishment, operation and maintenance
24 of the program.

25 (c) No school district may collect fees for providing a summer
26 program for pupils required to attend such a program in accordance with
27 the provisions of law, rules and regulations of the state board of education,
28 policy of the board of education, or an individualized education plan
29 developed for an exceptional child.

30 (d) There is hereby established in every district which establishes,
31 operates and maintains a summer program a fund which shall be called the
32 summer program fund, which fund shall consist of all moneys deposited
33 therein or transferred thereto according to law. All moneys received by a
34 district from fees collected under this section or from any other source for
35 summer programs shall be credited to the summer program fund. The
36 expenses of a district directly attributable to summer programs shall be
37 paid from the summer program fund.

38 Any unencumbered balance of moneys ~~remaining~~ in the summer
39 program fund of a school district ~~on June 30, 2011,~~ may be expended in
40 ~~school year 2011-2012~~ *school years 2013-2014 through school year*
41 *2016-2017* by the school district for general operating expenses of the
42 school district as approved by the board of education.

43 (e) As used in this section, the term "summer program" means a

1 program which is established by the board of education of a school district
2 and operated during the summer months for the purpose of giving remedial
3 instruction to pupils or for the purpose of conducting special projects and
4 activities designed to enrich and enhance the educational experience of
5 pupils, or for both such purposes.

6 Sec. 18. K.S.A. 2011 Supp. 72-9509 is hereby amended to read as
7 follows: 72-9509. (a) There is hereby established in every school district a
8 fund which shall be called the bilingual education fund, which fund shall
9 consist of all moneys deposited therein or transferred thereto according to
10 law. The expenses of a district directly attributable to such bilingual
11 education programs shall be paid from the bilingual education fund.

12 (b) Any balance remaining in the bilingual education fund at the end
13 of the budget year shall be carried forward into the bilingual education
14 fund for succeeding budget years. Such fund shall not be subject to the
15 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
16 In preparing the budget of such school district, the amounts credited to and
17 the amount on hand in the bilingual education fund, and the amount
18 expended therefrom shall be included in the annual budget for the
19 information of the residents of the school district. Interest earned on the
20 investment of moneys in any such fund shall be credited to that fund.

21 Any unencumbered balance of moneys ~~remaining~~ in the bilingual
22 education fund of a school district ~~on June 30, 2011~~, may be expended in
23 ~~school year 2011-2012~~ *school years 2013-2014 through school year 2016-*
24 *2017* by the school district for general operating expenses of the school
25 district as approved by the board of education.

26 (c) Each year the board of education of each school district shall
27 prepare and submit to the state board a report on the bilingual education
28 program and assistance provided by the district. Such report shall include
29 information specifying the number of pupils who were served or provided
30 assistance, the type of service provided, the research upon which the
31 district relied in determining that a need for service or assistance existed,
32 the results of providing such service or assistance and any other
33 information required by the state board.

34 Sec. 19. K.S.A. 2011 Supp. 72-9609 is hereby amended to read as
35 follows: 72-9609. There is hereby established in every school district a
36 fund which shall be called the professional development fund, which fund
37 shall consist of all moneys deposited therein or transferred thereto
38 according to law. All moneys received by the school district from whatever
39 source for professional development programs established under this act
40 shall be credited to the fund established by this section. The expenses of a
41 school district directly attributable to professional development programs
42 shall be paid from the professional development fund.

43 Any unencumbered balance of moneys ~~remaining~~ in the professional

1 development fund of a school district ~~on June 30, 2011~~, may be expended
2 in ~~school year 2011-2012~~ *school years 2013-2014 through school year*
3 *2016-2017* by the school district for general operating expenses of the
4 school district as approved by the board of education.

5 Sec. 20. K.S.A. 2011 Supp. 79-201x is hereby amended to read as
6 follows: 79-201x. For taxable years ~~2011 and 2012~~ *2013 and 2014*, the
7 following described property, to the extent herein specified, shall be and is
8 hereby exempt from the property tax levied pursuant to the provisions of
9 K.S.A. 72-6431, and amendments thereto: Property used for residential
10 purposes to the extent of \$20,000 of its appraised valuation.

11 Sec. 21. K.S.A. 2011 Supp. 72-3607, 72-6407, 72-6410, 72-6412, 72-
12 6414a, 72-6414b, 72-6421, 72-6423, 72-6426, 72-6431, 72-6433, 72-6434,
13 72-6441, 72-6449, 72-6451, 72-6460, 72-8237, 72-9509, 72-9609 and 79-
14 201x are hereby repealed.

15 Sec. 22. This act shall take effect and be in force from and after July
16 1, 2013 and after its publication in the statute book.
17