

STATE OF KANSAS

SENATE CHAMBER

MADAM PRESIDENT:

I move to amend **Senate Substitute for Substitute for HB 2052**, on page 18, following line 3, by inserting:

"Sec. 41. (a) Except as provided in subsection (d), on the effective date of this act, of each amount appropriated for a state agency for the fiscal year ending June 30, 2017, by chapters 4, 81, 92 and 104 of the 2015 Session Laws of Kansas, chapters 12, 45 and 111 of the 2016 Session Laws of Kansas, this act or other appropriation act of the 2017 regular session of the legislature from the state general fund, the sum equal to 1% of such appropriation that is not exempt is hereby lapsed.

(b) Except as provided in subsection (d), on the effective date of this act, of each amount reappropriated for a state agency for the fiscal year ending June 30, 2017, by chapters 4, 81, 92 and 104 of the 2015 Session Laws of Kansas, chapters 12, 45 and 111 of the 2016 Session Laws of Kansas, this act or other appropriation act of the 2017 regular session of the legislature from the state general fund, the sum equal to 1% of such reappropriation that is not exempt is hereby lapsed.

(c) The following items are exempt from and shall not be lapsed pursuant to this section:

(1) Any item of appropriation or reappropriation from the state general fund for fiscal year 2017 for debt service for payments made pursuant to contractual bond obligations; and

(2) any item of appropriation or reappropriation from the state general fund for fiscal year 2017 for the Kansas department for children and families, division of health care finance of the department of health and environment, department of corrections or the Kansas department for aging and disability services that are required to meet caseload obligations under the state medicaid plan, including general medical expenditures under KanCare and non-KanCare expenditures included in the

consensus caseload estimating process or for the Kansas department for children and families to meet caseload obligations for temporary assistance for families, foster care and reintegration services contracts or adoption services contracts, as certified by the director of the budget to the director of accounts and reports for the purposes of this subsection. At the same time that any certification is made by the director of the budget to the director of accounts and reports under this section, the director of the budget shall deliver a copy of such certification to the director of legislative research.

(d) Agencies affected by this section may, by written request addressed to the governor within 10 days after the effective date of this act, ask the governor to not impose the lapses provided by subsections (a) and (b) because such lapse would result in an undue hardship on the financial resources of the agency. The governor shall hear appeals and render a decision within 10 days after the governor receives requests for such review. If the governor determines such lapse would impose an undue hardship, the governor may reduce such lapse. However, if the governor reduces such lapse, the governor shall increase the lapse to another item of appropriation or reappropriation from the state general fund for fiscal year 2017 in an amount equal to the reduced lapse. Any changes made pursuant to this subsection shall be delivered to the director of legislative research upon approval by the governor.

(e) During fiscal year 2017, no school district shall reduce any expenditure in the classroom or for instruction during school year 2016-2017 due to any adjustment and reduction in funding from any account of the state general fund made pursuant to this section. As used in this subsection, "instruction" means the same as defined in K.S.A. 2016 Supp. 72-64c01, and amendments thereto.

Sec. 42. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as follows: 72-8801. (a) The board of education of any school district may make an annual tax levy at a mill rate not to exceed the statutorily prescribed mill rate upon the taxable tangible property in the school district for the purposes specified in this act and for the purpose of paying a portion of the principal and interest on bonds issued

by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. No levy shall be made under this act until a resolution is adopted by the board of education in substantially the following form, including the purposes listed in subsection (c) if applicable :

_____ County, Kansas.

RESOLUTION

Be It Resolved that:

The above-named school board shall be authorized to make an annual tax levy for a period not to exceed _____ years in an amount not to exceed _____ mills upon the taxable tangible property in the school district for the purpose of acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Acquisition of computer software; (2) acquisition of performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board; (4) architectural expenses; (5) acquisition of building sites; (6) undertaking and maintenance of asbestos control projects; (7) acquisition of school buses; and (8) acquisition of other fixed assets, and for the purpose of paying a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. The tax levy authorized by this resolution may be made, unless a petition in opposition to the same, signed by not less than 10% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 40 calendar days after the last publication of this resolution. In the event a petition is filed, the county election officer shall submit the question of whether the tax levy shall be authorized to the electors in the school district at an election called for that purpose or at the next general election, as is specified by the board of education of the above school district.

CERTIFICATE

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

Clerk of the board of education.

All of the blanks in the above resolution shall be appropriately filled. The blank preceding the word "years" shall be filled with a specific number, and the blank preceding the word "mills" shall be filled with a specific number, and no word shall be inserted in either of the blanks. The resolution shall be published once a week for two consecutive weeks in a newspaper having general circulation in the school district. If no petition as specified above is filed in accordance with the provisions of the resolution, the board of education may make the tax levy specified in the resolution. If a petition is filed as provided in the resolution, the board of education may notify the county election officer of the date of an election to be held to submit the question of whether the tax levy shall be authorized. If the board of education fails to notify the county election officer within 60 calendar days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board of education within the nine months following the first publication of the resolution.

(b) As used in this act:

(1) "Unconditionally authorized to make a capital outlay tax levy" means that the school district has adopted a resolution under this section, has published the same, and either that the resolution was not protested or that it was protested and an election has been held by which the tax levy specified in the resolution was approved;

(2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the mill levy rate in excess of eight mills if the resolution fixing such rate was approved at an election prior to the effective date of this act; or (C) the mill levy rate in excess of eight mills if no petition or no sufficient petition was filed in protest to a resolution fixing such rate in excess of eight mills and the protest period for filing such

petition has expired;

(3) "asbestos control project" means any activity which is necessary or incidental to the control of asbestos-containing material in buildings of school districts and includes, but not by way of limitation, any activity undertaken for the removal or encapsulation of asbestos-containing material, for any remodeling, renovation, replacement, rehabilitation or other restoration necessitated by such removal or encapsulation, for conducting inspections, reinspections and periodic surveillance of buildings, performing response actions, and developing, implementing and updating operations and maintenance programs and management plans;

(4) "asbestos" means the asbestiform varieties of chrysotile (serpentine), crocidolite (riebeckite), amosite (cumingtonitegrunerite), anthophyllite, tremolite, and actinolite; and

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

(c) For school years 2017-2018 and 2018-2019, the board of education of any school district may include in the resolution the following purposes: Utilities, property and casualty insurance premiums, and security personnel, equipment and improvements.

Sec. 43. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as follows: 72-8804. (a) Except as provided further, any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 72-8805 or 72-8810, and amendments thereto, may be used for the purpose of the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Acquisition of computer software; (2) acquisition of performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board of education; (4) architectural expenses; (5) acquisition of building sites; (6) undertaking and maintenance of asbestos control projects; (7) acquisition of school buses; and (8)

acquisition of other fixed assets, and, for school years 2015-2016 and 2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and amendments thereto, may be transferred to the general fund of the school district as approved by the board of education. For school years 2017-2018 and 2018-2019, in addition to the aforementioned purposes, moneys in the capital outlay fund of any school district may be used for the purposes of utilities, property and casualty insurance premiums, and security personnel, equipment and improvements.

(b) The board of education of any school district is hereby authorized to invest any portion of the capital outlay fund of the school district which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein, or may invest the same in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the capital outlay fund.";

On page 33, in line 35, after "Supp." by inserting "72-8801, 72-8804,";

And by renumbering sections accordingly;

On page 1, in the title, in line 7, after "Supp." by inserting "72-8801, 72-8804,"

Senator _____