

STATE OF KANSAS

HOUSE OF REPRESENTATIVES

MR. CHAIRMAN:

I move to amend **House Substitute for SB 61**, on page 1, by striking all in lines 9 through 36;

By striking all on pages 2 through 13;

Also on page 13, following line 43, by inserting:

"Section 1.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:

State foundation aid (652-00-1000-0820).....	\$135,525,000
Special education services aid (652-00-1000-0700).....	\$10,000,000
ABC early childhood intervention program.....	\$1,760,000

Provided, That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: *Provided*, That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: *Provided further*, That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: *And provided further*, That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: *And provided further*, That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: *And provided further*, That the above agency may expend an amount not to exceed \$264,000 from such account for research and evaluation of processes utilized by or related to such program.

Parent education program.....	\$3,000,000
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Provided, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant.

(b) On July 1, 2018, during the fiscal year ending June 30, 2019, any expenditures from the

parent education program account (652-00-2000-2510) of the children's initiatives fund by section 2(c) of chapter 95 of the 2017 Session Laws of Kansas for each grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant, and on July 1, 2018, the provisions of section 2(c) of chapter 95 of the 2017 Session Laws of Kansas that provide for such match to be in an amount that is equal to not less than 65% of the grant are hereby declared to be null and void and shall have no force and effect.

Sec. 2.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2020, the following:

Special education services aid (652-00-1000-0700).....	\$507,880,818
ABC early childhood intervention program.....	\$3,520,000

Provided, That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: *Provided*, That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: *Provided further*, That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: *And provided further*, That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: *And provided further*, That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: *And provided further*, That the above agency may expend an amount not to exceed \$528,000 from such account for research and evaluation of processes utilized by or related to such program.

Sec. 3.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2021, the following:

Special education services aid (652-00-1000-0700).....	\$525,380,818
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ABC early childhood intervention program.....\$5,280,000

Provided, That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: *Provided*, That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: *Provided further*, That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: *And provided further*, That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: *And provided further*, That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: *And provided further*, That the above agency may expend an amount not to exceed \$792,000 from such account for research and evaluation of processes utilized by or related to such program.

Sec. 4.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2022, the following:

Special education services aid (652-00-1000-0700).....\$542,880,818

Sec. 5.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2023, the following:

Special education services aid (652-00-1000-0700).....\$560,380,818

New Sec. 6. (a) (1) Subject to the provisions of subsection (e), the provisions of this subsection shall apply in any school year in which the amount of BASE aid is \$4,490 or less.

(2) The board of education of a school district may adopt a local option budget that does not exceed the local option budget calculated as if the BASE aid was \$4,490, or that does not exceed the local option budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and amendments thereto, whichever is greater.

(b) The board of education of a school district may adopt a local option budget that does not exceed the local option budget calculated as if the school district received state aid for special education and related services equal to the amount of state aid for special education and related services received in school year 2008-2009, or that does not exceed the local option budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and amendments thereto, whichever is greater.

(c) The board of any school district may exercise the authority granted under subsection (a) or (b) or both subsections (a) and (b).

(d) To the extent that the provisions of K.S.A. 2017 Supp. 72-5143, and amendments thereto, conflict with this section, this section shall control.

(e) For school year 2019-2020, and each school year thereafter, the specified dollar amount used in subsection (a) for purposes of determining the local option budget of a school district shall be the specified dollar amount used for the immediately preceding school year plus an amount equal to the average percentage increase in the consumer price index for all urban consumers in the midwest region as published by the bureau of labor statistics of the United States department of labor during the three immediately preceding school years.

Sec. 7. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018 Substitute for Senate Bill No. 423, is hereby amended to read as follows: 72-5132. As used in the Kansas school equity and enhancement act, K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

(a) "Adjusted enrollment" means the enrollment of a school district adjusted by adding the following weightings, if any, to the enrollment of a school district: At-risk student weighting; bilingual weighting; career technical education weighting; high-density at-risk student weighting; high enrollment weighting; low enrollment weighting; school facilities weighting; ancillary school facilities weighting; cost-of-living weighting; special education and related services weighting; and transportation weighting.

(b) "Ancillary school facilities weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5158, and amendments thereto, on the basis of costs attributable to commencing operation of one or more new school facilities by such school districts.

(c) (1) "At-risk student" means a student who is eligible for free meals under the national school lunch act, and who is enrolled in a school district that maintains an approved at-risk student assistance program.

(2) The term "at-risk student" shall not include any student enrolled in any of the grades one through 12 who is in attendance less than full time, or any student who is over 19 years of age. The provisions of this paragraph shall not apply to any student who has an individualized education program.

(d) "At-risk student weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5151(a), and amendments thereto, on the basis of costs attributable to the maintenance of at-risk educational programs by such school districts.

(e) "Base aid for student excellence" or "BASE aid" means an amount appropriated by the legislature in a fiscal year for the designated year. The amount of BASE aid shall be as follows:

(1) For school year 2018-2019, ~~\$4,900~~ \$4,360;

(2) for school year 2019-2020, ~~\$5,061~~ \$4,555;

(3) for school year 2020-2021, ~~\$5,222~~ \$4,750;

(4) for school year 2021-2022, ~~\$5,384~~ \$4,945;

(5) for school year 2022-2023, ~~\$5,545~~ \$5,140; and

(6) for school year 2023-2024, and each school year thereafter, the BASE aid shall be the BASE aid amount for the immediately preceding school year plus an amount equal to the average percentage increase in the consumer price index for all urban consumers in the midwest region as

published by the bureau of labor statistics of the United States department of labor during the three immediately preceding school years rounded to the nearest whole dollar amount.

(f) "Bilingual weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5150, and amendments thereto, on the basis of costs attributable to the maintenance of bilingual educational programs by such school districts.

(g) "Board" means the board of education of a school district.

(h) "Budget per student" means the general fund budget of a school district divided by the enrollment of the school district.

(i) "Categorical fund" means and includes the following funds of a school district: Adult education fund; adult supplementary education fund; at-risk education fund; bilingual education fund; career and postsecondary education fund; driver training fund; educational excellence grant program fund; extraordinary school program fund; food service fund; parent education program fund; preschool-aged at-risk education fund; professional development fund; special education fund; and summer program fund.

(j) "Cost-of-living weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5159, and amendments thereto, on the basis of costs attributable to the cost of living in such school districts.

(k) "Current school year" means the school year during which state foundation aid is determined by the state board under K.S.A. 2017 Supp. 72-5134, and amendments thereto.

(l) "Enrollment" means:

(1) The number of students regularly enrolled in kindergarten and grades one through 12 in the school district on September 20 of the preceding school year plus the number of preschool-aged at-risk students regularly enrolled in the school district on September 20 of the current school year, except a student who is a foreign exchange student shall not be counted unless such student is regularly

enrolled in the school district on September 20 and attending kindergarten or any of the grades one through 12 maintained by the school district for at least one semester or two quarters, or the equivalent thereof.

(2) If the enrollment in a school district in the preceding school year has decreased from enrollment in the second preceding school year, the enrollment of the school district in the current school year means the sum of:

(A) The enrollment in the second preceding school year, excluding students under paragraph (2)(B), minus enrollment in the preceding school year of preschool-aged at-risk students, if any, plus enrollment in the current school year of preschool-aged at-risk students, if any; and

(B) the adjusted enrollment in the second preceding school year of any students participating in the tax credit for low income students scholarship program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and amendments thereto, in the preceding school year, if any, plus the adjusted enrollment in the preceding school year of preschool-aged at-risk students who are participating in the tax credit for low income students scholarship program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and amendments thereto, in the current school year, if any.

(3) For any school district that has a military student, as that term is defined in K.S.A. 2017 Supp. 72-5139, and amendments thereto, enrolled in such district, and that received federal impact aid for the preceding school year, if the enrollment in such school district in the preceding school year has decreased from enrollment in the second preceding school year, the enrollment of the school district in the current school year means whichever is the greater of:

(A) The enrollment determined under paragraph (2); or

(B) the sum of the enrollment in the preceding school year of preschool-aged at-risk students, if any, and the arithmetic mean of the sum of:

(i) The enrollment of the school district in the preceding school year minus the enrollment in

such school year of preschool-aged at-risk students, if any;

(ii) the enrollment in the second preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any; and

(iii) the enrollment in the third preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any.

(4) The enrollment determined under paragraph (1), (2) or (3), except if the school district begins to offer kindergarten on a full-time basis in such school year, students regularly enrolled in kindergarten in the school district in the preceding school year shall be counted as one student regardless of actual attendance during such preceding school year.

(m) "February 20" has its usual meaning, except that in any year in which February 20 is not a day on which school is maintained, it means the first day after February 20 on which school is maintained.

(n) "Federal impact aid" means an amount equal to the federally qualified percentage of the amount of moneys a school district receives in the current school year under the provisions of title I of public law 874 and congressional appropriations therefor, excluding amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder.

(o) "General fund" means the fund of a school district from which operating expenses are paid and in which is deposited all amounts of state foundation aid provided under this act, payments under K.S.A. 2017 Supp. 72-528, and amendments thereto, payments of federal funds made available under the provisions of title I of public law 874, except amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program and such other moneys as are provided by law.

(p) "General fund budget" means the amount budgeted for operating expenses in the general fund of a school district.

(q) "High-density at-risk student weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5151(b), and amendments thereto, on the basis of costs attributable to the maintenance of at-risk educational programs by such school districts.

(r) "High enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149(b), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(s) "Juvenile detention facility" means the same as such term is defined in K.S.A. 2017 Supp. 72-1173, and amendments thereto.

(t) "Local foundation aid" means the sum of the following amounts:

~~(1) The amount of the proceeds from the tax levied under the authority of K.S.A. 2017 Supp. 72-5147, and amendments thereto, that is levied to finance that portion of the school district's local option budget that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and amendments thereto, and not financed from any other source provided by law;~~

~~(2) an amount equal to that portion of the school district's supplemental state aid determined pursuant to K.S.A. 2017 Supp. 72-5145, and amendments thereto, to equalize that portion of the school district's local option budget that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and amendments thereto, and not financed from any other source provided by law;~~

~~(3)~~ An amount equal to any unexpended and unencumbered balance remaining in the general fund of the school district, except moneys received by the school district and authorized to be expended for the purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments thereto;

~~(4)~~⁽²⁾ an amount equal to any remaining proceeds from taxes levied under authority of K.S.A.

72-7056 and 72-7072, and amendments thereto, prior to their repeal;

~~(5)~~(3) an amount equal to the amount deposited in the general fund in the current school year from moneys received in such school year by the school district under the provisions of K.S.A. 2017 Supp. 72-3123(a), and amendments thereto;

~~(6)~~(4) an amount equal to the amount deposited in the general fund in the current school year from moneys received in such school year by the school district pursuant to contracts made and entered into under authority of K.S.A. 2017 Supp. 72-3125, and amendments thereto;

~~(7)~~(5) an amount equal to the amount credited to the general fund in the current school year from moneys distributed in such school year to the school district under the provisions of articles 17 and 34 of chapter 12 of the Kansas Statutes Annotated, and amendments thereto, and under the provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto;

~~(8)~~(6) an amount equal to the amount of payments received by the school district under the provisions of K.S.A. 2017 Supp. 72-3423, and amendments thereto;

~~(9)~~(7) an amount equal to the amount of any grant received by the school district under the provisions of K.S.A. 2017 Supp. 72-3425, and amendments thereto; and

~~(10)~~(8) an amount equal to 70% of the federal impact aid of the school district.

(u) "Low enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149(a), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(v) "Operating expenses" means the total expenditures and lawful transfers from the general fund of a school district during a school year for all purposes, except expenditures for the purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments thereto.

(w) "Preceding school year" means the school year immediately before the current school

year.

(x) "Preschool-aged at-risk student" means an at-risk student who has attained the age of three years, is under the age of eligibility for attendance at kindergarten, and has been selected by the state board in accordance with guidelines governing the selection of students for participation in head start programs.

(y) "Preschool-aged exceptional children" means exceptional children, except gifted children, who have attained the age of three years but are under the age of eligibility for attendance at kindergarten. The terms "exceptional children" and "gifted children" have the same meaning as those terms are defined in K.S.A. 2017 Supp. 72-3404, and amendments thereto.

(z) "Psychiatric residential treatment facility" means the same as such term is defined in K.S.A. 2017 Supp. 72-1173, and amendments thereto.

(aa) "School district" means a school district organized under the laws of this state that is maintaining public school for a school term in accordance with the provisions of K.S.A. 2017 Supp. 72-3115, and amendments thereto.

(bb) "School facilities weighting" means an ~~added~~ addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5156, and amendments thereto, on the basis of costs attributable to commencing operation of one or more new school facilities by such school districts.

(cc) "School year" means the 12-month period ending June 30.

(dd) "September 20" has its usual meaning, except that in any year in which September 20 is not a day on which school is maintained, it means the first day after September 20 on which school is maintained.

(ee) "Special education and related services weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5157, and amendments thereto,

on the basis of costs attributable to the maintenance of special education and related services by such school districts.

(ff) "State board" means the state board of education.

(gg) "State foundation aid" means the amount of aid distributed to a school district as determined by the state board pursuant to K.S.A. 2017 Supp. 72-5134, and amendments thereto.

(hh) (1) "Student" means any person who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 maintained by the school district or who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 in another school district in accordance with an agreement entered into under authority of K.S.A. 2017 Supp. 72-13,101, and amendments thereto, or who is regularly enrolled in a school district and attending special education services provided for preschool-aged exceptional children by the school district.

(2) (A) Except as otherwise provided in this subsection, the following shall be counted as one student:

(i) A student in attendance full-time; and

(ii) a student enrolled in a school district and attending special education and related services, provided for by the school district.

(B) The following shall be counted as $\frac{1}{2}$ student:

(i) A student enrolled in a school district and attending special education and related services for preschool-aged exceptional children provided for by the school district; and

(ii) a preschool-aged at-risk student enrolled in a school district and receiving services under an approved at-risk student assistance plan maintained by the school district.

(C) A student in attendance part-time shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance bears to full-time attendance.

(D) A student enrolled in and attending an institution of postsecondary education that is authorized under the laws of this state to award academic degrees shall be counted as one student if the student's postsecondary education enrollment and attendance together with the student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time, otherwise the student shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education attendance and attendance in grades 11 or 12, as applicable, bears to full-time attendance.

(E) A student enrolled in and attending a technical college, a career technical education program of a community college or other approved career technical education program shall be counted as one student, if the student's career technical education attendance together with the student's attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise the student shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the total time of the student's career technical education attendance and attendance in any of grades nine through 12 bears to full-time attendance.

(F) A student enrolled in a school district and attending a non-virtual school and also attending a virtual school shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual school bears to full-time attendance.

(G) A student enrolled in a school district and attending special education and related services provided for by the school district and also attending a virtual school shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual school bears to full-time attendance.

(H) (i) Except as provided in clause (ii), a student enrolled in a school district who is not a resident of Kansas shall be counted as follows:

- (a) For school year 2018-2019, one student;
- (b) for school years 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and
- (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a student.

(ii) This subparagraph (H) shall not apply to:

(a) A student whose parent or legal guardian is an employee of the school district where such student is enrolled; or

(b) a student who attended public school in Kansas during school year 2016-2017 and who attended public school in Kansas during the immediately preceding school year.

(3) The following shall not be counted as a student:

(A) An individual residing at the Flint Hills job corps center;

(B) except as provided in paragraph (2), an individual confined in and receiving educational services provided for by a school district at a juvenile detention facility; and

(C) an individual enrolled in a school district but housed, maintained and receiving educational services at a state institution or a psychiatric residential treatment facility.

(4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et seq., and amendments thereto, shall be counted in accordance with the provisions of K.S.A. 2017 Supp. 72-3715, and amendments thereto.

(ii) "Total foundation aid" means an amount equal to the product obtained by multiplying the BASE aid by the adjusted enrollment of a school district.

(jj) "Transportation weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5148, and amendments thereto, on the basis of costs attributable to the provision or furnishing of transportation.

(kk) "Virtual school" means the same as such term is defined in K.S.A. 2017 Supp. 72-3712, and amendments thereto.

Sec. 8. K.S.A. 2017 Supp. 72-5143, as amended by section 4 of 2018 Substitute for Senate Bill No. 423, is hereby amended to read as follows: 72-5143. (a) In each school year, the board of education of a school district ~~shall~~ may adopt, by resolution, a local option budget ~~equal to 15% of the~~

~~school district's total foundation aid that does not exceed the state prescribed percentage.~~

(b) ~~If Subject to the limitations of subsection (a), in each school year,~~ the board of education of a school district ~~desires local option budget authority above the amount required under subsection (a), the board~~ may adopt, by resolution, a local option budget in an amount that does not exceed ~~27.5%~~ of the school district's total foundation aid the statewide average for the preceding school year as determined by the state board pursuant to subsection (j). The adoption of a resolution pursuant to this section shall require a majority vote of the members of the board. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.

(c) If the board of a school district desires local option budget authority above the amount authorized under subsection (b), the board may adopt, by resolution, such budget in an amount not to exceed the state prescribed percentage. The adoption of a resolution pursuant to this subsection shall require a majority vote of the members of the board. The resolution shall be published at least once in a newspaper having general circulation in the school district. The resolution shall be published in substantial compliance with the following form:

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

RESOLUTION

Be It Resolved that:

The board of education of the above-named school district shall be authorized to adopt a local option budget in each school year in an amount not to exceed ____% of the amount of total foundation aid. The local option budget authorized by this resolution may be adopted, 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 days after publication of this resolution. If a petition is filed, the county election officer shall submit the question of whether adoption of the local option budget shall be authorized to the electors of the school district at an election called for the purpose or at the next general election, as is specified by the board of

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

(d) Unless specifically stated otherwise in the resolution, the authority to adopt a local option budget shall be continuous and permanent. The board of any school district that is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any school district whose authority to adopt a local option budget is not continuous and permanent refrains from adopting a local option budget, the authority of such school district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget.

(e) The board of any school district may initiate procedures to renew or increase the authority to adopt a local option budget at any time during a school year after the tax levied pursuant to K.S.A. 2017 Supp. 72-5147, and amendments thereto, is certified to the county clerk under any existing authorization.

(f) (1) Except as provided in paragraph (2), the board of any school district authorized to adopt a local option budget prior to July 1, 2017, under a resolution that authorized the adoption of such budget in accordance with the provisions of K.S.A. 2017 Supp. 72-6471, prior to July 1, 2017, may continue to operate under such resolution for the period of time specified in the resolution ~~if such resolution adopted a local option budget equal to or greater than the amount required in subsection (a)~~, or may abandon the resolution and operate under the provisions of this section. Any such school district shall operate under the provisions of this section after the period of time specified in any previously adopted resolution has expired.

(2) Any resolution adopted prior to July 1, 2017, pursuant to K.S.A. 72-6433(e)(2), prior to its repeal, that authorized the adoption of a local option budget and that was not subsequently submitted to and approved by a majority of the qualified electors of the school district voting at an election called and held thereon shall expire on June 30, 2018, and shall have no force and effect during school year 2018-2019 or any subsequent school year.

(g) Any resolution adopted pursuant to this section may revoke or repeal any resolution previously adopted by the board. If the resolution does not revoke or repeal previously adopted resolutions, all resolutions that are in effect shall expire on the same date. The maximum amount of the local option budget of a school district under all resolutions in effect shall not exceed the state prescribed percentage in any school year.

(h) For school year 2019-2020 and each school year thereafter, the board of any school district that desires to increase its local option budget authority for the immediately succeeding school year shall submit written notice of such intent to the state board by April 1 of the current school year. Such notice shall include the local option budget authority, expressed as a percentage of the school district's total foundation aid, to be adopted for the immediately succeeding school year. The board of a school district shall not adopt a local option budget in excess of the authority stated in a notice submitted

pursuant to this subsection.

(i) (1) There is hereby established in each school district that adopts a local option budget a supplemental general fund, which shall consist of all amounts deposited therein or credited thereto according to law.

(2) (A) Of the moneys deposited in or otherwise credited to the supplemental general fund of a school district pursuant to K.S.A. 2017 Supp. 72-5147, and amendments thereto, an amount that is proportional to that amount of such school district's total foundation aid attributable to the at-risk student weighting as compared to such district's total foundation aid shall be transferred to the at-risk education fund of such school district and shall be expended in accordance with K.S.A. 2017 Supp. 72-5153, and amendments thereto.

(B) Of the moneys deposited in or otherwise credited to the supplemental general fund of a school district pursuant to K.S.A. 2017 Supp. 72-5147, and amendments thereto, an amount that is proportional to that amount of such school district's total foundation aid attributable to the bilingual weighting as compared to such district's total foundation aid shall be transferred to the bilingual education fund of such school district and shall be expended in accordance with K.S.A. 2017 Supp. 72-3613, and amendments thereto.

(3) Subject to the limitations imposed under paragraph (4), amounts in the supplemental general fund may be expended for any purpose for which expenditures from the general fund are authorized or may be transferred to any categorical fund of the school district. Amounts in the supplemental general fund attributable to any percentage over 25% of total foundation aid determined for the current school year may be transferred to the capital improvements fund of the school district and the capital outlay fund of the school district if such transfers are specified in the resolution authorizing the adoption of a local option budget in excess of 25%.

(4) Amounts in the supplemental general fund may not be expended for the purpose of

making payments under any lease-purchase agreement involving the acquisition of land or buildings that is entered into pursuant to the provisions of K.S.A. 2017 Supp. 72-1149, and amendments thereto.

(5) (A) Except as provided in subparagraph (B), any unexpended moneys remaining in the supplemental general fund of a school district at the conclusion of any school year in which a local option budget is adopted shall be maintained in such fund.

(B) If the school district received supplemental state aid in the school year, the state board shall determine the ratio of the amount of supplemental general state aid received to the amount of the local option budget of the school district for the school year and multiply the total amount of the unexpended moneys remaining by such ratio. An amount equal to the amount of the product shall be transferred to the general fund of the school district or remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury to the credit of the state school district finance fund.

(j) Each year, the state board shall determine the statewide average percentage of local option budgets legally adopted by school districts for the preceding school year.

(k) The provisions of this section shall be subject to the provisions of K.S.A. 2017 Supp. 72-5144 section 6, and amendments thereto.

~~(k)~~(l) As used in this section:

(1) "Authorized to adopt a local option budget" means that a school district has adopted a resolution pursuant to subsection (c).

(2) "State prescribed percentage" means ~~30.5%~~ 33% of the total foundation aid of the school district in the current school year.

(3) ~~For purposes of determining the school district's local option budget under subsections (a), (b) and (c),~~ "Total foundation aid" means the same as such term is defined in K.S.A. 2017 Supp. 72-

~~5132, and amendments thereto, except the state aid for special education and related services shall be divided by an amount equal to 85% of the BASE aid amount, and the resulting quotient shall be used in determining the school district's total foundation aid.~~

Sec. 9. K.S.A. 2017 Supp. 72-5461, as amended by section 16 of 2018 Substitute for Senate Bill No. 423, is hereby amended to read as follows: 72-5461. (a) Upon receiving an application under K.S.A. 2017 Supp. 72-5460, and amendments thereto, the state board of education shall review the application and examine the evidence furnished in support of the application.

~~(b)(1) Commencing in school year 2017-2018, the state board of education shall not approve any application submitted during the current school year if such approval would result in the aggregate amount of all general obligation bonds approved by the state board for such school year exceeding the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year adjusted for inflation pursuant to paragraph (4). For any application submitted during the current school year in excess of \$175,000,000, the state board shall apply only an amount of \$175,000,000 of such application when determining whether the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year has been exceeded. In determining whether to approve an application, the state board shall prioritize applications in accordance with the priorities set forth as follows in order of highest priority to lowest priority:~~

~~(A) Safety of the current facility and disability access to such facility as demonstrated by a state fire marshal report, an inspection under the Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar evaluation;~~

~~(B) enrollment growth and imminent overcrowding as demonstrated by successive increases in enrollment of the school district in the immediately preceding three school years;~~

~~(C) impact on the delivery of educational services as demonstrated by restrictive inflexible design or limitations on installation of technology; and~~

~~(D) energy usage and other operational inefficiencies as demonstrated by a district-wide energy usage analysis, district-wide architectural analysis or other similar evaluation.~~

~~(2) The state board shall not consider a school district's eligibility for capital improvement state aid, or the amount of capital improvement state aid a school district would be eligible to receive, in determining whether to approve such district's application.~~

~~(3) The provisions of subsection (b)(1) shall not apply to school districts that have not issued any general obligation bonds in the 25 years prior to the current school year.~~

~~(4) The state board shall adjust the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year by adding an amount equal to the five-year compounded percentage increase in the producer price index industry data for new school building construction as published by the bureau of labor statistics of the United States department of labor for the five immediately preceding school years.~~

(e) After reviewing the application and examining the supportive evidence, the state board of education shall issue an order either granting or denying the application. If the application is approved, the applicant board of education shall request the county election officer to hold an election to vote upon the question of issuing the increased amount of bonds in the manner provided by law.

~~(d) Any application that is denied pursuant to subsection (b) may be tentatively approved by the state board of education for the immediately succeeding school year. The amount of general obligation bonds approved in any such application shall be counted first towards the aggregate amount of all general obligation bonds approved by the state board for such school year.~~

~~(e) Commencing in school year 2017-2018, the state board of education shall determine the aggregate principal amount of general obligation bonds retired in the immediately preceding school year.~~

~~(f) The provisions of subsections (b), (d) and (e) shall expire on June 30, 2022.~~

Sec. 10. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018 Substitute for Senate Bill No. 423, 72-5143, as amended by section 4 of 2018 Substitute for Senate Bill No. 423, and 72-5461, as amended by section 16 of 2018 Substitute for Senate Bill No. 423, are hereby repealed.";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, after the semicolon by inserting "school district bonding authority; making and concerning appropriations for the fiscal years ending June 30, 2019, June 30, 2020, June 30, 2021, June 30, 2022, and June 30, 2023, for the department of education;"; in line 4, by striking "and"; in line 5, after the comma by inserting "and 72-5461, as amended by section 16 of 2018 Substitute for Senate Bill No. 423,"

_____ District.