

HOUSE BILL No. 2324

By Committee on Appropriations

1 AN ACT concerning education; relating to the financing and instruction
 2 thereof; making and concerning appropriations for the fiscal years
 3 ending June 30, 2018, and June 30, 2019, for the department of
 4 education; creating the school district finance and quality performance
 5 act of 2017; amending K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-
 6 1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-
 7 1923, 72-3607, 72-3711, 72-3712, 72-3715, 72-5333b, 72-64b01, 72-
 8 64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-
 9 7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8237, 72-
 10 8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-
 11 8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-8925, 74-
 12 99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b and repealing
 13 the existing sections; also repealing K.S.A. 2016 Supp. 72-6482.

14
 15 *Be it enacted by the Legislature of the State of Kansas:*
 16 Section 1.

DEPARTMENT OF EDUCATION

17
 18 (a) There is appropriated for the above agency from the state general
 19 fund for the fiscal year ending June 30, 2018, the following:

20 Operating expenditures (including official
 21 hospitality) (652-00-1000-0053).....\$12,515,606

22 *Provided*, That any unencumbered balance in the operating expenditures
 23 (including official hospitality) account in excess of \$100 as of June 30,
 24 2017, is hereby reappropriated for fiscal year 2018.

25 Special education services aid (652-00-1000-0700).....\$437,680,455

26 *Provided*, That any unencumbered balance in the special education
 27 services aid account in excess of \$100 as of June 30, 2017, is hereby
 28 reappropriated for fiscal year 2018: *Provided further*, That expenditures
 29 shall not be made from the special education services aid account for the
 30 provision of instruction for any homebound or hospitalized child unless
 31 the categorization of such child as exceptional is conjoined with the
 32 categorization of the child within one or more of the other categories of
 33 exceptionality: *And provided further*, That expenditures shall be made from
 34 this account for grants to school districts in amounts determined pursuant
 35 to and in accordance with the provisions of K.S.A. 72-983, and
 36 amendments thereto: *And provided further*, That expenditures shall be

1 made from the amount remaining in this account, after deduction of the
2 expenditures specified in the foregoing proviso, for payments to school
3 districts in amounts determined pursuant to and in accordance with the
4 provisions of K.S.A. 72-978, and amendments thereto.

5 General state aid (652-00-1000-0820).....\$1,941,230,062
6 *Provided*, That any unencumbered balance in the general state aid account
7 in excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal
8 year 2018.

9 Supplemental general state aid (652-00-1000-0840).....\$470,625,852
10 *Provided*, That any unencumbered balance in the supplemental general
11 state aid account in excess of \$100 as of June 30, 2017, is hereby
12 reappropriated for fiscal year 2018.

13 Information technology education opportunities (652-00-1000-
14 0600).....\$500,000

15 Kansas reading success program (652-00-1000-0070).....\$2,100,000

16 Discretionary grants (652-00-1000-0400).....\$322,457

17 *Provided*, That the above agency shall make expenditures from the
18 discretionary grants account during the fiscal year 2018, in the amount not
19 less than \$125,000 for after school programs for middle school students in
20 the sixth, seventh and eighth grades: *Provided further*, That the after
21 school programs may also include fifth and ninth grade students, if they
22 attend a junior high: *And provided further*, That such discretionary grants
23 shall be awarded to after school programs that operate for a minimum of
24 two hours a day, every day that school is in session, and a minimum of six
25 hours a day for a minimum of five weeks during the summer: *And*
26 *provided further*, That the discretionary grants awarded to after school
27 programs shall require a \$1 for \$1 local match: *And provided further*, That
28 the aggregate amount of discretionary grants awarded to any one after
29 school program shall not exceed \$25,000: *And provided further*, That
30 during the fiscal year ending June 30, 2018, expenditures shall be made by
31 the above agency from the discretionary grants fund for fiscal year 2018 to
32 establish a pilot program for communities in schools programming in three
33 school districts in Kansas: *And provided further*, That communities in
34 schools shall conduct an outcomes based study of its programming during
35 fiscal year 2018: *And provided further*, That the Kansas department of
36 education is hereby authorized and directed to provide to communities in
37 schools such student or other data as shall be necessary to permit
38 communities in schools to conduct such study of outcomes regarding the
39 students assisted with such communities in schools programming: *And*
40 *provided further*, That such data shall include data regarding
41 demographically similar students at peer institutions not involved in
42 communities in schools programs, to permit the research study to compare
43 outcomes of students receiving communities in schools services versus

1 students not receiving such services: *And provided further*, That upon
 2 providing the Kansas department of education with the names of students
 3 participating in the communities in schools program, the Kansas
 4 department of education shall provide the current status of students
 5 identified as participating in the program.

6 School food assistance (652-00-1000-0320).....	\$2,510,486
7 School safety hotline (652-00-1000-0230).....	\$10,000
8 KPERS – employer contributions – USDs.....	\$382,407,305
9 KPERS – employer contributions (652-00-1000-0100).....	\$25,275,661

10 *Provided*, That any unencumbered balance in the KPERS – employer
 11 contributions account in excess of \$100 as of June 30, 2017, is hereby
 12 reappropriated for fiscal year 2018: *Provided further*, That all expenditures
 13 from the KPERS – employer contributions account shall be for payment of
 14 participating employers' contributions to the Kansas public employees
 15 retirement system as provided in K.S.A. 74-4939, and amendments
 16 thereto: *And provided further*, That expenditures from this account for the
 17 payment of participating employers' contributions to the Kansas public
 18 employees retirement system may be made regardless of when the liability
 19 was incurred.

20 Educable deaf-blind and severely handicapped children's 21 programs aid (652-00-1000-0630).....	\$110,000
22 School district juvenile detention facilities and Flint Hills job 23 corps center grants (652-00-1000-0290).....	\$4,771,500

24 *Provided*, That any unencumbered balance in the school district juvenile
 25 detention facilities and Flint Hills job corps center grants account in excess
 26 of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018:
 27 *Provided further*, That expenditures shall be made from the school district
 28 juvenile detention facilities and Flint Hills job corps center grants account
 29 for grants to school districts in amounts determined pursuant to and in
 30 accordance with the provisions of K.S.A. 72-8187, and amendments
 31 thereto.

32 Governor's teaching excellence scholarships and awards (652-00-1000- 33 0770).....	\$327,500
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34 *Provided*, That any unencumbered balance in the governor's teaching
 35 excellence scholarships and awards account in excess of \$100 as of June
 36 30, 2017, is hereby reappropriated for fiscal year 2018: *Provided further*,
 37 That all expenditures from the governor's teaching excellence scholarships
 38 and awards account for teaching excellence scholarships shall be made in
 39 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
 40 *further*, That each such grant shall be required to be matched on a \$1 for \$1
 41 basis from nonstate sources: *And provided further*, That award of each such
 42 grant shall be conditioned upon the recipient entering into an agreement
 43 requiring the grant to be repaid if the recipient fails to complete the course

1 of training under the national board for professional teaching standards
 2 certification program: *And provided further*; That all moneys received by
 3 the department of education for repayment of grants for governor's
 4 teaching excellence scholarships shall be deposited in the state treasury
 5 and credited to the governor's teaching excellence scholarships program
 6 repayment fund (652-00-7221-7200).

7 (b) There is appropriated for the above agency from the following
 8 special revenue fund or funds for the fiscal year ending June 30, 2018, all
 9 moneys now or hereafter lawfully credited to and available in such fund or
 10 funds, except that expenditures other than refunds authorized by law and
 11 transfers to other state agencies shall not exceed the following:

- 12 State school district finance fund (652-00-7393-7000).....No limit
- 13 School district capital improvements fund (652-00-2880-2880).....No limit
- 14 *Provided*, That expenditures from the school district capital improvements
 15 fund shall be made only for the payment of general obligation bonds
 16 approved by voters under the authority of K.S.A. 72-6761, and
 17 amendments thereto.
- 18 Mineral production education fund (652-00-7669-7669).....No limit
- 19 School district capital outlay state aid fund.....No limit
- 20 Conversion of materials and equipment fund.....No limit
- 21 State safety fund (652-00-2538-2030).....No limit
- 22 School bus safety fund (652-00-2532-2300).....No limit
- 23 Motorcycle safety fund (652-00-2633-2050).....No limit
- 24 Federal indirect cost reimbursement fund (652-00-2312-2200).....No limit
- 25 Teacher and administrator fee fund (652-00-2728-2700).....No limit
- 26 Food assistance – federal fund (652-00-3230-3020).....No limit
- 27 Food assistance – school breakfast program –
 28 federal fund (652-00-3529-3490).....No limit
- 29 Food assistance – national school lunch program –
 30 federal fund (652-00-3530-3500).....No limit
- 31 Food assistance – child and adult care food program – federal
 32 fund (652-00-3531-3510).....No limit
- 33 Community-based child abuse prevention – federal
 34 fund (652-00-3319-7400).....No limit
- 35 Family and children investment fund (652-00-7375).....No limit
- 36 Elementary and secondary school aid – federal
 37 fund (652-00-3233-3040).....No limit
- 38 Educationally deprived children – state operations –
 39 federal fund (652-00-3131-3130).....No limit
- 40 Elementary and secondary school – educationally deprived
 41 children – LEA's fund (652-00-3532-3520).....No limit
- 42 ESEA chapter II – state operations – federal fund (652-00-3132-3140)...No
 43 limit

1	Education of handicapped children fund –	
2	federal (652-00-3234-3050).....	No limit
3	Education of handicapped children fund – state operations –	
4	federal fund (652-00-3534-3540).....	No limit
5	Education of handicapped children fund – preschool – federal	
6	fund (652-00-3535-3550).....	No limit
7	Education of handicapped children fund – preschool state	
8	operations – federal (652-00-3536-3560).....	No limit
9	Elementary and secondary school aid – federal fund – migrant	
10	education fund (652-00-3537-3570).....	No limit
11	Elementary and secondary school aid – federal fund – migrant	
12	education – state operations (652-00-3538-3580).....	No limit
13	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
14	Vocational education title II – federal fund –	
15	state operations (652-00-3540-3600).....	No limit
16	Educational research grants and projects	
17	fund (652-00-3592-3070).....	No limit
18	Drug abuse fund – department of education –	
19	federal (652-00-3795-3100).....	No limit
20	Drug abuse funds – federal – state operations	
21	fund (652-00-3799-3110).....	No limit
22	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
23	<i>Provided</i> , That expenditures may be made from the inservice education	
24	workshop fee fund for operating expenditures, including official	
25	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
26	<i>further</i> , That the state board of education is hereby authorized to fix,	
27	charge and collect fees for inservice workshops and conferences: <i>And</i>	
28	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
29	part of such operating expenditures incurred for inservice workshops and	
30	conferences: <i>And provided further</i> , That all fees received for inservice	
31	workshops and conferences shall be deposited in the state treasury in	
32	accordance with the provisions of K.S.A. 75-4215, and amendments	
33	thereto, and shall be credited to the inservice education workshop fee fund.	
34	Private donations, gifts, grants and bequests	
35	fund (652-00-7307-5000).....	No limit
36	Reimbursement for services fund (652-00-3056-3200).....	No limit
37	Communities in schools program fund (652-00-2221-2400).....	No limit
38	Governor's teaching excellence scholarships program repayment	
39	fund (652-00-7221-7200).....	No limit
40	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
41	scholarships program repayment fund shall be made in accordance with	
42	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
43	such grant shall be required to be matched on a \$1 for \$1 basis from	

1 nonstate sources: *And provided further*, That award of each such grant shall
 2 be conditioned upon the recipient entering into an agreement requiring the
 3 grant to be repaid if the recipient fails to complete the course of training
 4 under the national board for professional teaching standards certification
 5 program: *And provided further*, That all moneys received by the
 6 department of education for repayment of grants made under the
 7 governor's teaching excellence scholarships program shall be deposited in
 8 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
 9 amendments thereto, and shall be credited to the governor's teaching
 10 excellence scholarships program repayment fund.

- 11 Elementary and secondary school aid – federal fund –
- 12 reading first – state operations (652-00-3525-3850).....No limit
- 13 State grants for improving teacher quality –
- 14 federal fund (652-00-3526-3860).....No limit
- 15 State grants for improving teacher quality – federal fund –
- 16 state operations (652-00-3527-3870).....No limit
- 17 21st century community learning centers – federal
- 18 fund (652-00-3519-3890).....No limit
- 19 State assessments – federal fund (652-00-3520-3800).....No limit
- 20 Rural and low-income schools program –
- 21 federal fund (652-00-3521-3810).....No limit
- 22 TANF children's programs – federal
- 23 fund (652-00-3323-0530).....No limit
- 24 ESSA – student support academic enrichment – federal fund.....No limit
- 25 Language assistance state grants – federal
- 26 fund (652-00-3522-3820).....No limit
- 27 Service clearing fund (652-00-2869-2800).....No limit
- 28 Helping schools license plate program
- 29 fund (652-00-2606-2600).....No limit
- 30 General state aid transportation weighting –
- 31 state highway fund (652-00-2222-2222).....No limit

32 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
 33 April 1, 2018, the director of accounts and reports shall transfer
 34 \$24,150,000 from the state highway fund of the department of
 35 transportation to the general state aid transportation weighting – state
 36 highway fund of the department of education.

37 Special education transportation weighting – state
 38 highway fund (652-00-2223-2223).....No limit

39 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
 40 April 1, 2018, the director of accounts and reports shall transfer
 41 \$2,500,000 from the state highway fund of the department of
 42 transportation to the special education transportation weighting – state
 43 highway fund of the department of education.

1 Career and technical education transportation –
 2 state highway fund (652-00-2139-2139).....No limit
 3 *Provided*, That on July 1, 2017, the director of accounts and reports shall
 4 transfer \$650,000 from the state highway fund of the department of
 5 transportation to the career and technical education transportation – state
 6 highway fund of the department of education.

7 Educational technology coordinator fund (652-00-2157-2157).....No limit
 8 *Provided*, That expenditures shall be made by the above agency for the
 9 fiscal year ending June 30, 2018, from the educational technology
 10 coordinator fund of the department of education to provide data on the
 11 number of school districts served and cost savings for those districts in
 12 fiscal year 2018 in order to assess the cost effectiveness of the position of
 13 educational technology coordinator.

14 (c) There is appropriated for the above agency from the children's
 15 initiatives fund for the fiscal year ending June 30, 2018, the following:

16 Pre-K program.....	\$4,799,812
17 Parent education program.....	\$7,237,635

18 *Provided*, That expenditures from the parent education program account
 19 for each such grant shall be matched by the school district in an amount
 20 which is equal to not less than 65% of the grant.

21 (d) On July 1, 2017, or as soon thereafter as moneys are available,
 22 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
 23 amendments thereto, or any other statute, the director of accounts and
 24 reports shall transfer \$50,000 from the family and children trust account of
 25 the family and children investment fund of the Kansas department for
 26 children and families to the communities in schools program fund of the
 27 department of education.

28 (e) On March 30, 2018, or as soon thereafter as moneys are
 29 available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and
 30 amendments thereto, or any other statute, the director of accounts and
 31 reports shall transfer \$550,000 from the state safety fund to the state
 32 general fund: *Provided*, That the transfer of such amount shall be in
 33 addition to any other transfer from the state safety fund to the state general
 34 fund as prescribed by law: *Provided further*, That the amount transferred
 35 from the state safety fund to the state general fund pursuant to this
 36 subsection is to reimburse the state general fund for accounting, auditing,
 37 budgeting, legal, payroll, personnel and purchasing services and any other
 38 governmental services that are performed on behalf of the department of
 39 education by other state agencies that receive appropriations from the state
 40 general fund to provide such services.

41 (f) On June 30, 2018, or as soon thereafter as moneys are available,
 42 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
 43 thereto, or any other statute, the director of accounts and reports shall

1 transfer \$550,000 from the state safety fund to the state general fund:
 2 *Provided*, That the transfer of such amount shall be in addition to any other
 3 transfer from the state safety fund to the state general fund as prescribed
 4 by law: *Provided further*, That the amount transferred from the state safety
 5 fund to the state general fund pursuant to this subsection is to reimburse
 6 the state general fund for accounting, auditing, budgeting, legal, payroll,
 7 personnel and purchasing services and any other governmental services
 8 that are performed on behalf of the department of education by other state
 9 agencies that receive appropriations from the state general fund to provide
 10 such services.

11 (g) On July 1, 2017, and quarterly thereafter, the director of accounts
 12 and reports shall transfer \$56,250 from the state highway fund of the
 13 department of transportation to the school bus safety fund of the
 14 department of education.

15 (h) On July 1, 2017, the director of accounts and reports shall transfer
 16 an amount certified by the commissioner of education from the motorcycle
 17 safety fund of the department of education to the motorcycle safety fund of
 18 the state board of regents: *Provided*, That the amount to be transferred
 19 shall be determined by the commissioner of education based on the
 20 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
 21 amendments thereto.

22 (i) There is appropriated for the above agency from the expanded
 23 lottery act revenues fund for the fiscal year ending June 30, 2018, the
 24 following:

25 KPERS – non-school employer contribution.....\$35,430,948

26 (j) On July 1, 2017, or as soon thereafter as moneys are available, the
 27 director of accounts and reports shall transfer \$89,323 from the USAC E-
 28 rate program federal fund of the state board of regents to the education
 29 technology coordinator fund of the department of education: *Provided*,
 30 That the department of education shall provide information and data
 31 regarding the number of school districts served and cost savings attained
 32 by such school districts in order to assess the cost effectiveness of having
 33 this education technology coordinator position: *Provided further*, That such
 34 information and data shall be available by the department of education by
 35 the end of the fiscal year 2018.

36 Sec. 2.

37 DEPARTMENT OF EDUCATION

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

40 Operating expenditures (including official
 41 hospitality) (652-00-1000-0053)\$12,585,839

42 *Provided*, That any unencumbered balance in the operating expenditures
 43 (including official hospitality) account in excess of \$100 as of June 30,

1 2018, is hereby reappropriated for fiscal year 2019.

2 Special education services aid (652-00-1000-0700)\$442,680,455

3 *Provided*, That any unencumbered balance in the special education

4 services aid account in excess of \$100 as of June 30, 2018, is hereby

5 reappropriated for fiscal year 2019: *Provided further*; That expenditures

6 shall not be made from the special education services aid account for the

7 provision of instruction for any homebound or hospitalized child unless

8 the categorization of such child as exceptional is conjoined with the

9 categorization of the child within one or more of the other categories of

10 exceptionality: *And provided further*; That expenditures shall be made from

11 this account for grants to school districts in amounts determined pursuant

12 to and in accordance with the provisions of K.S.A. 72-983, and

13 amendments thereto: *And provided further*; That expenditures shall be

14 made from the amount remaining in this account, after deduction of the

15 expenditures specified in the foregoing proviso, for payments to school

16 districts in amounts determined pursuant to and in accordance with the

17 provisions of K.S.A. 72-978, and amendments thereto.

18 General state aid (652-00-1000-0820)\$1,872,267,062

19 *Provided*, That any unencumbered balance in the general state aid account

20 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal

21 year 2019.

22 Supplemental general state aid (652-00-1000-0840).....\$470,625,852

23 *Provided*, That any unencumbered balance in the supplemental general

24 state aid account in excess of \$100 as of June 30, 2018, is hereby

25 reappropriated for fiscal year 2019.

26 Information technology education opportunities (652-00-1000-

27 0600).....\$500,000

28 Kansas reading success program (652-00-1000-0070).....\$2,100,000

29 Discretionary grants (652-00-1000-0400).....\$322,457

30 *Provided*, That the above agency shall make expenditures from the

31 discretionary grants account during the fiscal year 2019, in the amount not

32 less than \$125,000 for after school programs for middle school students in

33 the sixth, seventh and eighth grades: *Provided further*; That the after school

34 programs may also include fifth and ninth grade students, if they attend a

35 junior high: *And provided further*; That such discretionary grants shall be

36 awarded to after school programs that operate for a minimum of two hours

37 a day, every day that school is in session, and a minimum of six hours a

38 day for a minimum of five weeks during the summer: *And provided*

39 *further*; That the discretionary grants awarded to after school programs

40 shall require a \$1 for \$1 local match: *And provided further*; That the

41 aggregate amount of discretionary grants awarded to any one after school

42 program shall not exceed \$25,000: *And provided further*; That during the

43 fiscal year ending June 30, 2019, expenditures shall be made by the above

1 agency from the discretionary grants fund for fiscal year 2019 to establish
 2 a pilot program for communities in schools programming in three school
 3 districts in Kansas: *And provided further*, That communities in schools
 4 shall conduct an outcomes based study of its programming during fiscal
 5 year 2019: *And provided further*, That the Kansas department of education
 6 is hereby authorized and directed to provide to communities in schools
 7 such student or other data as shall be necessary to permit communities in
 8 schools to conduct such study of outcomes regarding the students assisted
 9 with such communities in schools programming: *And provided further*,
 10 That such data shall include data regarding demographically similar
 11 students at peer institutions not involved in communities in schools
 12 programs, to permit the research study to compare outcomes of students
 13 receiving communities in schools services versus students not receiving
 14 such services: *And provided further*, That upon providing the Kansas
 15 department of education with the names of students participating in the
 16 communities in schools program, the Kansas department of education shall
 17 provide the current status of students identified as participating in the
 18 program.

19 School food assistance (652-00-1000-0320).....	\$2,510,486
20 School safety hotline (652-00-1000-0230).....	\$10,000
21 KPERS – employer contributions – USDs.....	\$421,856,124
22 KPERS – employer contributions (652-00-1000-0100).....	\$31,538,101

23 *Provided*, That any unencumbered balance in the KPERS – employer
 24 contributions account in excess of \$100 as of June 30, 2018, is hereby
 25 reappropriated for fiscal year 2019: *Provided further*, That all expenditures
 26 from the KPERS – employer contributions account shall be for payment of
 27 participating employers' contributions to the Kansas public employees
 28 retirement system as provided in K.S.A. 74-4939, and amendments
 29 thereto: *And provided further*, That expenditures from this account for the
 30 payment of participating employers' contributions to the Kansas public
 31 employees retirement system may be made regardless of when the liability
 32 was incurred.

33 Educable deaf-blind and severely handicapped children's 34 programs aid (652-00-1000-0630).....	\$110,000
35 School district juvenile detention facilities and Flint Hills job 36 corps center grants (652-00-1000-0290).....	\$4,771,500

37 *Provided*, That any unencumbered balance in the school district juvenile
 38 detention facilities and Flint Hills job corps center grants account in excess
 39 of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019:
 40 *Provided further*, That expenditures shall be made from the school district
 41 juvenile detention facilities and Flint Hills job corps center grants account
 42 for grants to school districts in amounts determined pursuant to and in
 43 accordance with the provisions of K.S.A. 72-8187, and amendments

1 thereto.

2 Governor's teaching excellence scholarships and awards (652-00-1000-
3 0770).....\$327,500

4 *Provided*, That any unencumbered balance in the governor's teaching
5 excellence scholarships and awards account in excess of \$100 as of June
6 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*;
7 That all expenditures from the governor's teaching excellence scholarships
8 and awards account for teaching excellence scholarships shall be made in
9 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
10 *further*, That each such grant shall be required to be matched on a \$1 for \$1
11 basis from nonstate sources: *And provided further*, That award of each such
12 grant shall be conditioned upon the recipient entering into an agreement
13 requiring the grant to be repaid if the recipient fails to complete the course
14 of training under the national board for professional teaching standards
15 certification program: *And provided further*, That all moneys received by
16 the department of education for repayment of grants for governor's
17 teaching excellence scholarships shall be deposited in the state treasury
18 and credited to the governor's teaching excellence scholarships program
19 repayment fund (652-00-7221-7200).

20 (b) There is appropriated for the above agency from the following
21 special revenue fund or funds for the fiscal year ending June 30, 2019, all
22 moneys now or hereafter lawfully credited to and available in such fund or
23 funds, except that expenditures other than refunds authorized by law and
24 transfers to other state agencies shall not exceed the following:

25 State school district finance fund (652-00-7393-7000).....No limit

26 School district capital improvements fund (652-00-2880-2880).....No limit

27 *Provided*, That expenditures from the school district capital improvements
28 fund shall be made only for the payment of general obligation bonds
29 approved by voters under the authority of K.S.A. 72-6761, and
30 amendments thereto.

31 Mineral production education fund (652-00-7669-7669).....No limit

32 School district capital outlay state aid fund.....No limit

33 Conversion of materials and equipment fund.....No limit

34 State safety fund (652-00-2538-2030).....No limit

35 School bus safety fund (652-00-2532-2300).....No limit

36 Motorcycle safety fund (652-00-2633-2050).....No limit

37 Federal indirect cost reimbursement fund (652-00-2312-2200).....No limit

38 Teacher and administrator fee fund (652-00-2728-2700).....No limit

39 Food assistance – federal fund (652-00-3230-3020).....No limit

40 Food assistance – school breakfast program –
41 federal fund (652-00-3529-3490).....No limit

42 Food assistance – national school lunch program –
43 federal fund (652-00-3530-3500).....No limit

1	Food assistance – child and adult care food program – federal	
2	fund (652-00-3531-3510).....	No limit
3	Community-based child abuse prevention – federal	
4	fund (652-00-3319-7400).....	No limit
5	Family and children investment fund (652-00-7375).....	No limit
6	Elementary and secondary school aid – federal	
7	fund (652-00-3233-3040).....	No limit
8	Educationally deprived children – state operations –	
9	federal fund (652-00-3131-3130).....	No limit
10	Elementary and secondary school – educationally deprived	
11	children – LEA's fund (652-00-3532-3520).....	No limit
12	ESEA chapter II – state operations – federal fund (652-00-3132-3140)...	No
13	limit	
14	Education of handicapped children fund –	
15	federal (652-00-3234-3050).....	No limit
16	Education of handicapped children fund – state operations –	
17	federal fund (652-00-3534-3540).....	No limit
18	Education of handicapped children fund – preschool – federal	
19	fund (652-00-3535-3550).....	No limit
20	Education of handicapped children fund – preschool state	
21	operations – federal (652-00-3536-3560).....	No limit
22	Elementary and secondary school aid – federal fund – migrant	
23	education fund (652-00-3537-3570).....	No limit
24	Elementary and secondary school aid – federal fund – migrant	
25	education – state operations (652-00-3538-3580)	No limit
26	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
27	Vocational education title II – federal fund –	
28	state operations (652-00-3540-3600)	No limit
29	Educational research grants and projects	
30	fund (652-00-3592-3070).....	No limit
31	Drug abuse fund – department of education –	
32	federal (652-00-3795-3100).....	No limit
33	Drug abuse funds – federal – state operations	
34	fund (652-00-3799-3110).....	No limit
35	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
36	<i>Provided</i> , That expenditures may be made from the inservice education	
37	workshop fee fund for operating expenditures, including official	
38	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
39	<i>further</i> , That the state board of education is hereby authorized to fix,	
40	charge and collect fees for inservice workshops and conferences: <i>And</i>	
41	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
42	part of such operating expenditures incurred for inservice workshops and	
43	conferences: <i>And provided further</i> , That all fees received for inservice	

1 workshops and conferences shall be deposited in the state treasury in
 2 accordance with the provisions of K.S.A. 75-4215, and amendments
 3 thereto, and shall be credited to the inservice education workshop fee fund.
 4 Private donations, gifts, grants and bequests
 5 fund (652-00-7307-5000).....No limit
 6 Reimbursement for services fund (652-00-3056-3200).....No limit
 7 Communities in schools program fund (652-00-2221-2400).....No limit
 8 Governor's teaching excellence scholarships program repayment
 9 fund (652-00-7221-7200).....No limit
 10 *Provided*, That all expenditures from the governor's teaching excellence
 11 scholarships program repayment fund shall be made in accordance with
 12 K.S.A. 72-1398, and amendments thereto: *Provided further*, That each
 13 such grant shall be required to be matched on a \$1 for \$1 basis from
 14 nonstate sources: *And provided further*, That award of each such grant shall
 15 be conditioned upon the recipient entering into an agreement requiring the
 16 grant to be repaid if the recipient fails to complete the course of training
 17 under the national board for professional teaching standards certification
 18 program: *And provided further*, That all moneys received by the
 19 department of education for repayment of grants made under the
 20 governor's teaching excellence scholarships program shall be deposited in
 21 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
 22 amendments thereto, and shall be credited to the governor's teaching
 23 excellence scholarships program repayment fund.
 24 State grants for improving teacher quality –
 25 federal fund (652-00-3526-3860).....No limit
 26 State grants for improving teacher quality – federal fund –
 27 state operations (652-00-3527-3870).....No limit
 28 21st century community learning centers – federal
 29 fund (652-00-3519-3890).....No limit
 30 State assessments – federal fund (652-00-3520-3800).....No limit
 31 Rural and low-income schools program –
 32 federal fund (652-00-3521-3810).....No limit
 33 TANF children's programs – federal
 34 fund (652-00-3323-0530).....No limit
 35 ESSA – student support academic enrichment – federal fund.....No limit
 36 Language assistance state grants – federal
 37 fund (652-00-3522-3820).....No limit
 38 Service clearing fund (652-00-2869-2800).....No limit
 39 Helping schools license plate program fund (652-00-2606-2600).....No limit
 40 General state aid transportation weighting –
 41 state highway fund (652-00-2222-2222).....No limit
 42 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and
 43 April 1, 2019, the director of accounts and reports shall transfer

1 \$24,150,000 from the state highway fund of the department of
2 transportation to the general state aid transportation weighting – state
3 highway fund of the department of education.

4 Special education transportation weighting – state
5 highway fund (652-00-2223-2223)No limit

6 *Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and
7 April 1, 2019, the director of accounts and reports shall transfer
8 \$2,500,000 from the state highway fund of the department of
9 transportation to the special education transportation weighting – state
10 highway fund of the department of education.

11 Career and technical education transportation –
12 state highway fund (652-00-2139-2139)No limit

13 *Provided*, That on July 1, 2018, the director of accounts and reports shall
14 transfer \$650,000 from the state highway fund of the department of
15 transportation to the career and technical education transportation – state
16 highway fund of the department of education.

17 Educational technology coordinator fund (652-00-2157-2157).....No limit

18 *Provided*, That expenditures shall be made by the above agency for the
19 fiscal year ending June 30, 2019, from the educational technology
20 coordinator fund of the department of education to provide data on the
21 number of school districts served and cost savings for those districts in
22 fiscal year 2019 in order to assess the cost effectiveness of the position of
23 educational technology coordinator.

24 (c) There is appropriated for the above agency from the children's
25 initiatives fund for the fiscal year ending June 30, 2019, the following:

26 Pre-K program.....\$4,799,812
27 Parent education program.....\$7,237,635

28 *Provided*, That expenditures from the parent education program account
29 for each such grant shall be matched by the school district in an amount
30 which is equal to not less than 65% of the grant.

31 (d) On July 1, 2018, or as soon thereafter as moneys are available,
32 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
33 amendments thereto, or any other statute, the director of accounts and
34 reports shall transfer \$50,000 from the family and children trust account of
35 the family and children investment fund of the Kansas department for
36 children and families to the communities in schools program fund of the
37 department of education.

38 (e) On March 30, 2019, or as soon thereafter as moneys are
39 available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and
40 amendments thereto, or any other statute, the director of accounts and
41 reports shall transfer \$550,000 from the state safety fund to the state
42 general fund: *Provided*, That the transfer of such amount shall be in
43 addition to any other transfer from the state safety fund to the state general

1 fund as prescribed by law: *Provided further*, That the amount transferred
 2 from the state safety fund to the state general fund pursuant to this
 3 subsection is to reimburse the state general fund for accounting, auditing,
 4 budgeting, legal, payroll, personnel and purchasing services and any other
 5 governmental services that are performed on behalf of the department of
 6 education by other state agencies that receive appropriations from the state
 7 general fund to provide such services.

8 (f) On June 30, 2019, or as soon thereafter as moneys are available,
 9 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
 10 thereto, or any other statute, the director of accounts and reports shall
 11 transfer \$550,000 from the state safety fund to the state general fund:
 12 *Provided*, That the transfer of such amount shall be in addition to any other
 13 transfer from the state safety fund to the state general fund as prescribed
 14 by law: *Provided further*, That the amount transferred from the state safety
 15 fund to the state general fund pursuant to this subsection is to reimburse
 16 the state general fund for accounting, auditing, budgeting, legal, payroll,
 17 personnel and purchasing services and any other governmental services
 18 that are performed on behalf of the department of education by other state
 19 agencies that receive appropriations from the state general fund to provide
 20 such services.

21 (g) On July 1, 2018, and quarterly thereafter, the director of accounts
 22 and reports shall transfer \$56,250 from the state highway fund of the
 23 department of transportation to the school bus safety fund of the
 24 department of education.

25 (h) On July 1, 2018, the director of accounts and reports shall transfer
 26 an amount certified by the commissioner of education from the motorcycle
 27 safety fund of the department of education to the motorcycle safety fund of
 28 the state board of regents: *Provided*, That the amount to be transferred
 29 shall be determined by the commissioner of education based on the
 30 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
 31 amendments thereto.

32 (i) There is appropriated for the above agency from the expanded
 33 lottery act revenues fund for the fiscal year ending June 30, 2019, the
 34 following:

35 KPERS – non-school employer contribution.....\$35,430,948

36 (j) On July 1, 2018, or as soon thereafter as moneys are available, the
 37 director of accounts and reports shall transfer \$89,323 from the USAC E-
 38 rate program federal fund of the state board of regents to the education
 39 technology coordinator fund of the department of education: *Provided*,
 40 That the department of education shall provide information and data
 41 regarding the number of school districts served and cost savings attained
 42 by such school districts in order to assess the cost effectiveness of having
 43 this education technology coordinator position: *Provided further*, That such

1 information and data shall be available by the department of education by
2 the end of the fiscal year 2019.

3 New Sec. 3. Sections 3 through 48, and amendments thereto, shall be
4 known and may be cited as the school district finance and quality
5 performance act of 2017.

6 New Sec. 4. As used in the school district finance and quality
7 performance act of 2017:

8 (a) "Adjusted enrollment" means the enrollment of a school district
9 adjusted by adding the following weightings, if any, to the enrollment: At-
10 risk pupil weighting; program weighting; low enrollment weighting; high
11 density at-risk pupil weighting; high enrollment weighting; declining
12 enrollment weighting; school facilities weighting; ancillary school
13 facilities weighting; cost-of-living weighting; special education and related
14 services weighting; and transportation weighting.

15 (b) "Ancillary school facilities weighting" means an addend
16 component assigned to enrollment of school districts to which the
17 provisions of section 33, and amendments thereto, apply on the basis of
18 costs attributable to commencing operation of new school facilities.
19 Ancillary school facilities weighting may be assigned to enrollment of a
20 school district only if the school district has levied a tax under authority of
21 section 33, and amendments thereto, and remitted the proceeds from such
22 tax to the state treasurer. Ancillary school facilities weighting is in addition
23 to assignment of school facilities weighting to enrollment of any school
24 district eligible for such weighting.

25 (c) (1) "At-risk pupils" means pupils who are eligible for free meals
26 under the national school lunch act and who are enrolled in a school
27 district that maintains an approved at-risk pupil assistance plan.

28 (2) The term "at-risk pupils" shall not include any pupil: (A) Enrolled
29 in any of the grades one through 12 who is in attendance less than full
30 time; or (B) who is over 19 years of age. The provisions of this paragraph
31 shall not apply to any pupil who has an individualized education program.

32 (d) "At-risk pupil weighting" means an addend component assigned
33 to the enrollment of school districts on the basis of enrollment of at-risk
34 pupils.

35 (e) "Base state aid per pupil" means an amount appropriated by the
36 legislature in a fiscal year for the designated year. The amount of base state
37 aid per pupil shall be:

- 38 (1) For school year 2017-2018, \$4,082;
- 39 (2) for school year 2018-2019, \$4,312;
- 40 (3) for school year 2019-2020, \$4,542;
- 41 (4) for school year 2020-2021, \$4,772; and
- 42 (5) for school year 2021-2022, \$5,000.

43 (f) "Average adjusted enrollment" means the average enrollment of a

1 school district for the three school years immediately preceding the current
2 school year.

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

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

6 (i) "Categorical fund" means and includes the following funds of a
7 school district: Special education fund; food service fund; driver training
8 fund; adult education fund; adult supplementary education fund;
9 professional development fund; parent education program fund; summer
10 program fund; extraordinary school program fund; and educational
11 excellence grant program fund.

12 (j) "Cost-of-living weighting" means an addend component assigned
13 to the enrollment of school districts to which the provisions of section 34,
14 and amendments thereto, apply on the basis of costs attributable to the cost
15 of living in the school district.

16 (k) "Current school year" means the school year during which general
17 state aid is determined by the state board under section 6, and amendments
18 thereto.

19 (l) "Declining enrollment weighting" means an addend component
20 assigned to the enrollment of school districts to which the provisions of
21 section 35, and amendments thereto, apply on the basis of reduced
22 revenues attributable to the declining enrollment of the school district.

23 (m) "Enrollment" means:

24 (1) For school districts scheduling the school days or school hours of
25 the school term on a trimestral or quarterly basis, the number of pupils
26 regularly enrolled in the school district on September 20 plus the number
27 of pupils regularly enrolled in the school district on February 20 less the
28 number of pupils regularly enrolled on February 20 who were counted in
29 the enrollment of the school district on September 20; and for school
30 districts not specified in this paragraph (1), the number of pupils regularly
31 enrolled in the school district on September 20;

32 (2) if enrollment in a school district in any school year has decreased
33 from enrollment in the preceding school year, enrollment of the school
34 district in the current school year means whichever is the greater of:

35 (A) The sum of:

36 (i) Enrollment in the preceding school year, excluding pupils under
37 paragraph (A)(ii), minus enrollment in such school year of preschool-aged
38 at-risk pupils, if any such pupils were enrolled, plus enrollment in the
39 current school year of preschool-aged at-risk pupils, if any such pupils are
40 enrolled; and

41 (ii) adjusted enrollment in the preceding school year of any pupils
42 participating in the tax credit for low income students scholarship program
43 pursuant to K.S.A. 2016 Supp. 72-99a01 through 72-99a07, and

1 amendments thereto, in the current school year, if any, plus adjusted
2 enrollment in the preceding school year of preschool-aged at-risk pupils
3 participating in the tax credit for low income students scholarship program
4 pursuant to K.S.A. 2016 Supp. 72-99a01 through 72-99a07, and
5 amendments thereto, in the current school years, if any such pupils were
6 enrolled; or

7 (B) the sum of enrollment in the current school year of preschool-
8 aged at-risk pupils, if any such pupils are enrolled and the average of the
9 sum of:

10 (i) Enrollment of the school district in the current school year minus
11 enrollment in such school year of preschool-aged at-risk pupils, if any
12 such pupils are enrolled;

13 (ii) enrollment in the preceding school year minus enrollment in such
14 school year of preschool-aged at-risk pupils, if any such pupils were
15 enrolled; and

16 (iii) enrollment in the school year next preceding the preceding
17 school year minus enrollment in such school year of preschool-aged at-risk
18 pupils, if any such pupils were enrolled; or

19 (3) the number of pupils as determined under section 10 or 11, and
20 amendments thereto.

21 (n) "February 20" has its usual meaning, except that in any year in
22 which February 20 is not a day on which school is maintained, it shall
23 mean the first day after February 20 on which school is maintained.

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

35 (p) "General fund" means the fund of a school district from which
36 operating expenses are paid and in which is deposited the proceeds from
37 the tax levied under section 14, and amendments thereto, all amounts of
38 general state aid under this act, payments under K.S.A. 72-7105a, and
39 amendments thereto, payments of federal funds made available under the
40 provisions of title I of public law 874, except amounts received for
41 assistance in cases of major disaster and amounts received under the low-
42 rent housing program, and such other moneys as are provided by law.

43 (q) "General fund budget" means the amount budgeted for operating

1 expenses in the general fund of a school district.

2 (r) "High-density at-risk pupil weighting" means an addend
3 component assigned to the enrollment of school districts to which the
4 provisions of section 30, and amendments thereto, apply.

5 (s) "High enrollment weighting" means an addend component
6 assigned to the enrollment of school districts pursuant to section 23, and
7 amendments thereto, on the basis of costs attributable to maintenance of
8 educational programs by such school districts as a correlate to low
9 enrollment weighting assigned to enrollment of school districts pursuant to
10 section 22, and amendments thereto.

11 (t) "Juvenile detention facility" has the meaning ascribed thereto by
12 K.S.A. 72-8187, and amendments thereto.

13 (u) "Low enrollment weighting" means an addend component
14 assigned to the enrollment of school districts pursuant to section 22, and
15 amendments thereto, on the basis of costs attributable to maintenance of
16 educational programs by such school districts in comparison with costs
17 attributable to maintenance of educational programs by school districts to
18 which high enrollment weighting is assigned pursuant to section 23, and
19 amendments thereto.

20 (v) "Nonproficient pupil" means a pupil who is not eligible for free
21 meals under the national school lunch act and who has scored less than
22 proficient on the mathematics or reading state assessment during the
23 preceding school year and who is enrolled in a school district which
24 maintains an approved proficiency assistance plan.

25 (w) "Operating expenses" means the total expenditures and lawful
26 transfers from the general fund of a school district during a school year for
27 all purposes, except expenditures for the purposes specified in section 43,
28 and amendments thereto.

29 (x) "Preceding school year" means the school year immediately
30 before the current school year.

31 (y) "Preschool-aged at-risk pupil" means an at-risk pupil who has
32 attained the age of four years, is under the age of eligibility for attendance
33 at kindergarten, and has been selected by the state board in accordance
34 with guidelines consonant with guidelines governing the selection of
35 pupils for participation in head start programs.

36 (z) "Preschool-aged exceptional children" means exceptional
37 children, except gifted children, who have attained the age of three years
38 but are under the age of eligibility for attendance at kindergarten.

39 (aa) "Program weighted fund" means and includes the following
40 funds of a school district: Vocational education fund, preschool-aged at-
41 risk education fund and bilingual education fund.

42 (bb) "Program weighting" means an addend component assigned to
43 the enrollment of school districts on the basis of pupil attendance in

1 educational programs which differ in cost from regular educational
2 programs.

3 (cc) "Psychiatric residential treatment facility" has the meaning
4 ascribed thereto by K.S.A. 72-8187, and amendments thereto.

5 (dd) (1) "Pupil" means any person who is regularly enrolled in a
6 school district and attending kindergarten or any of the grades one through
7 12 maintained by the school district or who is regularly enrolled in a
8 school district and attending kindergarten or any of the grades one through
9 12 in another school district in accordance with an agreement entered into
10 under authority of K.S.A. 72-8233, and amendments thereto, or who is
11 regularly enrolled in a school district and attending special education
12 services provided for preschool-aged exceptional children by the school
13 district.

14 (2) (A) The following shall be counted as one pupil:

15 (i) A pupil in attendance full time; and

16 (ii) except as provided in paragraph (2)(B), a pupil enrolled in a
17 school district and attending special education and related services,
18 provided for by the school district.

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

20 (i) A pupil attending kindergarten;

21 (ii) a pupil enrolled in a school district and attending special
22 education and related services for preschool-aged exceptional children
23 provided for by the school district; and

24 (iii) a preschool-aged at-risk pupil enrolled in a school district and
25 receiving services under an approved at-risk pupil assistance plan
26 maintained by the school district.

27 (C) The following shall be counted as two pupils:

28 (i) A pupil in the custody of the secretary of the Kansas department
29 for children and families or in the custody of the secretary of corrections
30 and enrolled in unified school district No. 259, Sedgwick county, Kansas,
31 but housed, maintained, and receiving educational services at the Judge
32 James V. Riddel Boys Ranch; and

33 (ii) except as provided in section 1 of chapter 76 of the 2009 Session
34 Laws of the state of Kansas, a pupil in the custody of the secretary of the
35 Kansas department for children and families or in the custody of the
36 secretary of corrections and enrolled in unified school district No. 409,
37 Atchison, Kansas, but housed, maintained and receiving educational
38 services at the youth residential center located on the grounds of the
39 former Atchison juvenile correctional facility.

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

43 (E) A pupil enrolled in and attending an institution of postsecondary

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

8 (F) A pupil enrolled in and attending an area vocational school, area
9 vocational-technical school or approved vocational education program
10 shall be counted as one pupil if the pupil's vocational education enrollment
11 and attendance together with the pupil's attendance in any of grades nine
12 through 12 is at least $\frac{5}{6}$ time, otherwise the pupil shall be counted as that
13 proportion of one pupil (to the nearest $\frac{1}{10}$) that the total time of the pupil's
14 vocational education attendance and attendance in any of grades nine
15 through 12 bears to full-time attendance.

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

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

25 (3) The following shall not be counted:

26 (A) A pupil residing at the Flint Hills job corps center;

27 (B) except as provided in subsection (cc)(2), a pupil confined in and
28 receiving educational services provided for by a school district at a
29 juvenile detention facility;

30 (C) a pupil enrolled in a school district but housed, maintained and
31 receiving educational services at a state institution or a psychiatric
32 residential treatment facility; and

33 (D) a pupil who is a foreign exchange student, unless such student is
34 regularly enrolled in the school district on September 20 and attending
35 kindergarten or any of the grades one through 12 maintained by the school
36 district for at least one semester or two quarters or the equivalent thereof.

37 (ee) "School district" means a school district organized under the
38 laws of this state that is maintaining public school for a school term in
39 accordance with the provisions of K.S.A. 72-1106, and amendments
40 thereto.

41 (ff) "School facilities weighting" means an addend component
42 assigned to the enrollment of school districts on the basis of costs
43 attributable to commencing operation of new school facilities.

1 (gg) "School financing sources" means the sum of the following
2 amounts:

3 (1) An amount equal to any unexpended and unencumbered balance
4 remaining in the general fund of the school district, except amounts
5 received by the school district and authorized to be expended for the
6 purposes specified in section 43, and amendments thereto;

7 (2) an amount equal to any unexpended and unencumbered balances
8 remaining in the program weighted funds of the school district, except any
9 amount in the vocational education fund of the school district if the school
10 district is operating an area vocational school;

11 (3) an amount equal to any remaining proceeds from taxes levied
12 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
13 prior to their repeal;

14 (4) an amount equal to the amount deposited in the general fund in
15 the current school year from amounts received in such school year by the
16 school district under the provisions of K.S.A. 72-1046a(a), and
17 amendments thereto;

18 (5) an amount equal to the amount deposited in the general fund in
19 the current school year from amounts received in such school year by the
20 school district pursuant to contracts made and entered into under authority
21 of K.S.A. 72-6757, and amendments thereto;

22 (6) an amount equal to the amount credited to the general fund in the
23 current school year from amounts distributed in such school year to the
24 school district under the provisions of articles 17 and 34 of chapter 12 of
25 the Kansas Statutes Annotated, and amendments thereto, and under the
26 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
27 Annotated, and amendments thereto;

28 (7) an amount equal to the amount of payments received by the
29 school district under the provisions of K.S.A. 72-979, and amendments
30 thereto;

31 (8) an amount equal to the amount of a grant, if any, received by the
32 school district under the provisions of K.S.A. 72-983, and amendments
33 thereto; and

34 (9) an amount equal to 70% of the federal impact aid of the school
35 district.

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

37 (ii) "September 20" has its usual meaning, except that in any year in
38 which September 20 is not a day on which school is maintained, it shall
39 mean the first day after September 20 on which school is maintained.

40 (jj) "Special education and related services weighting" means an
41 addend component assigned to the enrollment of school districts on the
42 basis of costs attributable to provision of special education and related
43 services for pupils determined to be exceptional children.

1 (kk) "State board" means the state board of education.

2 (ll) "State financial aid" means an amount equal to the product
3 obtained by multiplying base state aid per pupil by the average adjusted
4 enrollment of a school district.

5 (mm) "Transportation weighting" means an addend component
6 assigned to the enrollment of school districts on the basis of costs
7 attributable to the provision or furnishing of transportation.

8 (nn) "Virtual school" means any school or educational program that:
9 (1) Is offered for credit; (2) uses distance-learning technologies that
10 predominately use internet-based methods to deliver instruction; (3)
11 involves instruction that occurs asynchronously with the teacher and pupil
12 in separate locations; (4) requires the pupil to make academic progress
13 toward the next grade level and matriculation from kindergarten through
14 high school graduation; (5) requires the pupil to demonstrate competence
15 in subject matter for each class or subject in which the pupil is enrolled as
16 part of the virtual school; and (6) requires age-appropriate pupils to
17 complete state assessment tests.

18 New Sec. 5. (a) The state school district finance fund, established by
19 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in
20 existence and shall consist of: (1) All moneys credited to such fund under
21 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their repeal; and (2)
22 all amounts transferred to such fund under sections 8, 14, 33, 34 and 35,
23 and amendments thereto.

24 (b) The state school district finance fund shall be used for the purpose
25 of school district finance and for no other governmental purpose. It is the
26 intent of the legislature that the fund shall remain intact and inviolate for
27 such purpose, and moneys in the fund shall not be subject to the provisions
28 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

29 (c) Amounts in the state school district finance fund shall be allocated
30 and distributed to school districts as a portion of general state aid
31 entitlements provided for under this act.

32 New Sec. 6. In each school year, the state board shall determine the
33 entitlement of each school district to general state aid for the school year.
34 The state board shall determine the amount of the school district's school
35 financing sources for the school year. If the amount of the school district's
36 school financing sources is greater than the amount of state financial aid
37 determined for the school district for the school year, the school district
38 shall not be entitled to general state aid. If the amount of the school
39 district's school financing sources is less than the amount of state financial
40 aid determined for the school district for the school year, the state board
41 shall subtract the amount of the school district's school financing sources
42 from the amount of state financial aid. The remainder is the amount of
43 general state aid the school district is entitled to receive for the current

1 school year.

2 New Sec. 7. (a) The distribution of general state aid under this act
3 shall be made in accordance with appropriation acts each year as provided
4 in this section.

5 (b) (1) In the months of July through May of each school year, the
6 state board shall determine the amount of general state aid that will be
7 required by each school district to maintain operations in each such month.
8 In making such determination, the state board shall take into consideration
9 the school district's access to school financing sources and the obligations
10 of the general fund that must be satisfied during the month. The amount
11 determined by the state board under this provision is the amount of general
12 state aid that will be distributed to the school district in the months of July
13 through May;

14 (2) in the month of June of each school year, subject to the provisions
15 of subsection (d), payment shall be made in the full amount of the general
16 state aid entitlement determined for the school year, less the sum of the
17 monthly payments made in the months of July through May.

18 (c) The state board of education shall prescribe the dates upon which
19 the distribution of payments of general state aid to school districts shall be
20 due. Payments of general state aid shall be distributed to school districts
21 once each month on the dates prescribed by the state board. The state
22 board shall certify to the director of accounts and reports the amount due
23 as general state aid to each school district in each of the months of July
24 through June. Such certification, and the amount of general state aid
25 payable from the state general fund, shall be approved by the director of
26 the budget. The director of accounts and reports shall draw warrants on the
27 state treasurer payable to the school district treasurer of each school
28 district entitled to payment of general state aid, pursuant to vouchers
29 approved by the state board. Upon receipt of such warrant, each school
30 district treasurer shall deposit the amount of general state aid in the general
31 fund, except that, an amount equal to the amount of federal impact aid not
32 included in the school financing sources of a school district may be
33 disposed of as provided in section 41(a), and amendments thereto.

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

43 New Sec. 8. In the event any school district is paid more than it is

1 entitled to receive under any distribution made under this act or under any
2 statute repealed by this act, the state board shall notify the school district
3 of the amount of such overpayment, and such school district shall remit the
4 same to the state board. The state board shall remit any moneys so
5 received to the state treasurer in accordance with the provisions of K.S.A.
6 75-4215, and amendments thereto. Upon receipt of each such remittance,
7 the state treasurer shall deposit the entire amount in the state treasury to
8 the credit of the state school district finance fund. If any school district
9 fails so to remit, the state board shall deduct the excess amounts so paid
10 from future payments becoming due to the school district. In the event any
11 school district is paid less than the amount to which it is entitled under any
12 distribution made under this act, the state board shall pay the additional
13 amount due at any time within the school year in which the underpayment
14 was made or within 60 days after the end of such school year.

15 New Sec. 9. On or before October 10 of each school year, the clerk or
16 superintendent of each school district shall certify under oath to the state
17 board a report showing the total enrollment of the school district by grades
18 maintained in the schools of the school district and such other reports as
19 the state board may require. Each such report shall show postsecondary
20 education enrollment, vocational education enrollment, special education
21 enrollment, bilingual education enrollment, and at-risk pupil enrollment in
22 such detail and form as is specified by the state board. Upon receipt of
23 such reports, the state board shall examine the reports and if the state
24 board finds any errors in any such report, the state board shall consult with
25 the school district officer furnishing the report and make such corrections
26 in the report as are necessary. One of such school district officers shall also
27 certify to the state board, on or before August 25 of each year, a copy of
28 the budget adopted by the school district.

29 New Sec. 10. (a) If the state board of education determines that the
30 enrollment of a school district in the preceding school year decreased from
31 the enrollment in the second preceding school year and that a disaster had
32 contributed to such decrease, the enrollment of such school district in the
33 second school year following the school year in which the enrollment of
34 the school district was first affected by the disaster shall be the greater of:

35 (1) The enrollment of preschool-aged at-risk pupils, if any, plus the
36 average of the enrollment for the current and the preceding three school
37 years, excluding the enrollment of preschool-aged at-risk pupils in each
38 such school year; or

39 (2) the enrollment of the school district as defined in section 6, and
40 amendments thereto.

41 (b) As used in this section, "disaster" means the occurrence of
42 widespread or severe damage, injury or loss of life or property resulting
43 from flood, earthquake, tornado, wind, storm, drought, blight or

1 infestation.

2 New Sec. 11. (a) Each school year, the state board shall:

3 (1) Determine the number of pupils enrolled in each school district on
4 September 20; and

5 (2) determine the number of military pupils enrolled in each school
6 district on February 20, who were not enrolled on the preceding September
7 20.

8 (b) (1) If the number obtained under subsection (a)(2) is 25 or more,
9 an amount equal to the number obtained under subsection (a)(2) shall be
10 added to the number determined under subsection (a)(1). The sum is the
11 enrollment of the school district.

12 (2) If the number obtained under subsection (a)(2) is at least 1% of
13 the number determined under subsection (a)(1), an amount equal to the
14 number obtained under subsection (a)(2) shall be added to the number
15 determined under subsection (a)(1). The sum is the enrollment of the
16 school district.

17 (c) The state board shall recompute the adjusted enrollment of the
18 school district and the general fund budget of the school district based on
19 the enrollment as determined under this section.

20 (d) School districts desiring to determine enrollment under this
21 section shall submit any documentation or information required by the
22 state board.

23 (e) As used in this section:

24 (1) "Pupil" means a person who is a dependent of a full-time active
25 duty member of the military service or a dependent of a member of any of
26 the United States military reserve forces who has been ordered to active
27 duty under 10 U.S.C. §§ 12301, 12302 or 12304, or ordered to full-time
28 active duty for a period of more than 30 consecutive days under 32 U.S.C.
29 §§ 502(f) or 512 for the purposes of mobilizing for war, international
30 peacekeeping missions, national emergencies or homeland defense
31 activities.

32 (2) "School year" means school year 2017-2018 and each school year
33 thereafter.

34 New Sec. 12. Whenever a new school district has been established or
35 the boundaries of a school district have been changed, the state board shall
36 make appropriate revisions concerning the affected school districts as may
37 be necessary for the purposes of this act to reflect such establishment of a
38 school district or changes in boundaries. Such revisions shall be based on
39 the most reliable data obtainable from the superintendent of the school
40 district and the county clerk.

41 New Sec. 13. (a) (1) For the purposes of the school district finance
42 and quality performance act of 2017, state financial aid for any school
43 district formed by consolidation in accordance with the statutory

1 provisions contained in article 87 of chapter 72 of the Kansas Statutes
2 Annotated, and amendments thereto, shall be computed by the state board
3 by determining the amount of state financial aid each of the former school
4 districts that comprise the consolidated school district received in the
5 school year preceding the date the consolidation was completed, and
6 calculating the sum of such amounts. The sum is the state financial aid of
7 the consolidated school district for the school year in which the
8 consolidation is completed.

9 (2) The provisions of this paragraph shall apply to any consolidation
10 of school districts that is completed on or after July 1, 2011. If any of the
11 former school districts had an enrollment of less than 150 pupils on
12 September 20 of the school year preceding the consolidation, the state
13 financial aid of the newly consolidated school district for the school year
14 following the school year in which the consolidation was completed shall
15 be the greater of: (A) The amount received in the school year in which the
16 consolidation was completed; or (B) the amount the school district would
17 receive under the school district finance and quality performance act of
18 2017.

19 (3) If all of the former school districts had an enrollment of at least
20 150 pupils, but any had less than 200 pupils on September 20 of the school
21 year preceding the consolidation, the state financial aid of the newly
22 consolidated school district for the three school years following the school
23 year in which the consolidation was completed shall be the greater of: (A)
24 The amount received in the school year in which the consolidation was
25 completed; or (B) the amount the school district would receive under the
26 school district finance and quality performance act of 2017.

27 (4) If all of the former school districts had an enrollment of 200 or
28 more pupils on September 20 of the school year preceding the
29 consolidation, the state financial aid of the newly consolidated school
30 district for the four school years following the school year in which the
31 consolidation was completed shall be the greater of: (A) The amount
32 received in the school year in which the consolidation was completed; or
33 (B) the amount the school district would receive under the school district
34 finance and quality performance act of 2017.

35 (5) If the consolidation involved the consolidation of three or more
36 school districts, regardless of the number of pupils enrolled in the school
37 districts, the state financial aid of the newly consolidated school district for
38 the four school years following the school year in which the consolidation
39 was completed shall be the greater of: (A) The amount received in the
40 school year in which the consolidation was completed; or (B) the amount
41 the school district would receive under the school district finance and
42 quality performance act of 2017.

43 (b) (1) The provisions of this subsection (b) shall apply to school

1 districts that have been enlarged by the attachment of territory pursuant to
2 the procedure established in article 73 of chapter 72 of the Kansas Statutes
3 Annotated, and amendments thereto.

4 (2) For the purposes of the school district finance and quality
5 performance act of 2017, state financial aid for any school district to which
6 this subsection applies, shall be computed by the state board of education
7 as follows: (A) Determine the amount of state financial aid each of the
8 former school districts that comprise the enlarged school district received
9 in the school year preceding the date the attachment was completed; and
10 (B) add the amounts determined under subparagraph (A). The sum is the
11 state financial aid of the enlarged school district for the school year in
12 which the attachment is completed.

13 (3) The provisions of this paragraph shall apply to any attachment of
14 territory which is completed on or after July 1, 2011. If any of the former
15 school districts had an enrollment of less than 150 pupils on September 20
16 of the school year preceding the attachment, the state financial aid of the
17 enlarged school district for the school year following the school year in
18 which the attachment was completed shall be the greater of: (A) The
19 amount received in the school year in which the attachment was
20 completed; or (B) the amount the school district would receive under the
21 school district finance and quality performance act of 2017.

22 (4) If all of the former school districts had an enrollment of at least
23 150 pupils, but any had less than 200 pupils on September 20 of the school
24 year preceding the attachment, the state financial aid of the enlarged
25 school district for the three school years following the school year in
26 which the attachment was completed shall be the greater of: (A) The
27 amount received in the school year in which the attachment was
28 completed; or (B) the amount the school district would receive under the
29 school district finance and quality performance act of 2017.

30 (5) If all of the former school districts had an enrollment of 200 or
31 more pupils on September 20 of the school year preceding the attachment,
32 the state financial aid of the enlarged school district for the four school
33 years following the school year in which the attachment was completed
34 shall be the greater of: (A) The amount received in the school year in
35 which the attachment was completed; or (B) the amount the school district
36 would receive under the school district finance and quality performance
37 act of 2017.

38 (6) If three or more school districts, regardless of the number of
39 pupils enrolled in the school districts, are disorganized and attached to a
40 single school district, the state financial aid of the enlarged school district
41 for the four school years following the school year in which the attachment
42 was completed shall be the greater of: (A) The amount received in the
43 school year in which the attachment was completed; or (B) the amount the

1 school district would receive under the school district finance and quality
2 performance act of 2017.

3 (7) Except as specifically provided by this paragraph for the
4 allocation of state financial aid among school districts, the provisions of
5 paragraphs (1) through (6) shall be applicable to school districts to which
6 this paragraph applies. If a school district is disorganized in accordance
7 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
8 amendments thereto, and the territory of such school district is attached to
9 more than one school district, the state financial aid for each school district
10 to which any territory from the disorganized school district is attached,
11 shall be computed by the state board of education as follows: (A)
12 Determine the amount of state financial aid received by the former school
13 district in the school year preceding the date that the disorganization and
14 attachment was completed; (B) determine the amount of state financial aid
15 received by the enlarged school district in the school year preceding the
16 date that the disorganization and attachment was completed; (C) determine
17 the assessed valuation of the former school district in the school year
18 preceding the date that the disorganization and attachment was completed;
19 (D) determine the assessed valuation of the territory attached to each
20 enlarged school district; (E) allocate the amount of the state financial aid
21 received by the former school district in the school year preceding the date
22 that the disorganization and attachment was completed to each of the
23 enlarged school districts in the same proportion that the assessed valuation
24 of the territory attached to each school district bears to the assessed
25 valuation of the former school district; and (F) add the amounts
26 determined under subparagraphs (E) and (B). The sum is the state financial
27 aid of the enlarged school district for the school year in which the
28 attachment is completed.

29 New Sec. 14. (a) The board of each school district shall levy an ad
30 valorem tax upon the taxable tangible property of the school district in the
31 school years specified in subsection (b) for the purpose of:

32 (1) Financing that portion of the school district's general fund budget
33 that is not financed from any other source provided by law;

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

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

43 (b) The tax required under subsection (a) shall be levied at a rate of

1 20 mills in school year 2017-2018 and school year 2018-2019.
 2 (c) The proceeds from the tax levied by a school district under
 3 authority of this section, except the proceeds of such tax levied for the
 4 purpose of paying a portion of the principal and interest on bonds issued
 5 by cities under authority of K.S.A. 12-1774, and amendments thereto, for
 6 the financing of redevelopment projects upon property located within the
 7 school district, shall be remitted to the state treasurer in accordance with
 8 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt
 9 of each such remittance, the state treasurer shall deposit the entire amount
 10 in the state treasury to the credit of the state school district finance fund.

11 (d) No school district shall proceed under K.S.A. 79-1964, 79-1964a
 12 or 79-1964b, and amendments thereto.

13 New Sec. 15. (a) In each school year, the board of any school district
 14 may adopt, by resolution, a local option budget that does not exceed the
 15 state prescribed percentage.

16 (b) Subject to the provisions of subsection (a), in each school year,
 17 the board of any school district may adopt, by resolution, a local option
 18 budget in an amount that does not exceed:

19 (1) (A) The amount that the board was authorized to adopt pursuant
 20 to any resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to
 21 its expiration, currently in effect; plus

22 (B) the amount that the board was authorized to adopt pursuant to
 23 section 20, and amendments thereto, if applicable to the school district; or

24 (2) the state-wide average for the preceding school year as
 25 determined by the state board pursuant to subsection (j).

26 Except as provided by subsection (d), the adoption of a resolution
 27 pursuant to this section shall require a majority vote of the members of the
 28 board. Such resolution shall be effective upon adoption and shall require
 29 no other procedure, authorization or approval.

30 (c) Except as provided by subsection (d), if the board of a school
 31 district desires to increase its local option budget authority above the
 32 amount authorized under subsection (b), the board may adopt, by
 33 resolution, such budget in an amount not to exceed the state prescribed
 34 percentage. The adoption of a resolution pursuant to this subsection shall
 35 require a majority vote of the members of the board. The resolution shall
 36 be published at least once in a newspaper having general circulation in the
 37 school district. The resolution shall be published in substantial compliance
 38 with the following form:

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

41 RESOLUTION

42 Be It Resolved that:
 43 The board of education of the above-named school district shall be

1 authorized to adopt a local option budget in each school year in an amount
 2 not to exceed ____% of the amount of state financial aid. The local option
 3 budget authorized by this resolution may be adopted, unless a petition in
 4 opposition to the same, signed by not less than 5% of the qualified electors
 5 of the school district, is filed with the county election officer of the home
 6 county of the school district within 30 days after publication of this
 7 resolution. If a petition is filed, the county election officer shall submit the
 8 question of whether adoption of the local option budget shall be authorized
 9 to the electors of the school district at an election called for the purpose or
 10 at the next general election, as is specified by the board of education of the
 11 school district.

12 CERTIFICATE

13 This is to certify that the above resolution was duly adopted by the
 14 board of education of unified school district No. _____, _____ County,
 15 Kansas, on the ____ day of _____, _____.

16 _____
 17 Clerk of the board of education.

18 All of the blanks in the resolution shall be filled appropriately. If a
 19 sufficient petition is not filed, the board may adopt a local option budget.
 20 If a sufficient petition is filed, the board may notify the county election
 21 officer of the date of an election to be held to submit the question of
 22 whether adoption of a local option budget shall be authorized. Any such
 23 election shall be noticed, called and held in the manner provided by K.S.A.
 24 10-120, and amendments thereto. If the board fails to notify the county
 25 election officer within 30 days after a sufficient petition is filed, the
 26 resolution shall be deemed abandoned and no like resolution shall be
 27 adopted by the board within the nine months following publication of the
 28 resolution.

29 (d) (1) Except as provided by subsections (d)(2) and (d)(3), any
 30 resolution authorizing the adoption of a local option budget in excess of
 31 30% of the state financial aid of the school district in the current school
 32 year shall not become effective unless such resolution has been submitted
 33 to and approved by a majority of the qualified electors of the school
 34 district voting at an election called and held thereon. The election shall be
 35 called and held in the manner provided by K.S.A. 10-120, and
 36 amendments thereto, except that such election shall be a mail ballot
 37 election conducted in accordance with K.S.A. 25-431 et seq., and
 38 amendments thereto. Any such election shall be held on or before August 1
 39 of the initial school year for which such resolution was adopted.

40 (2) For school year 2017-2018, any board of education of a school
 41 district which has adopted a local option budget in excess of 30% of state
 42 financial aid in the current school year on or before June 30, 2016, may
 43 adopt a second resolution in an amount not to exceed 2% of state financial

1 aid, provided that the aggregate local option budget authority for the
2 school district does not exceed 33% of state financial aid in the current
3 school year. The adoption of a second resolution pursuant to this paragraph
4 shall require a majority vote of the members of the board and shall
5 specifically state in such resolution that it shall expire on June 30, 2018.
6 Such resolution shall be effective upon adoption and shall require no other
7 procedure, authorization or approval.

8 (3) The board of unified school school district no. 207, as described
9 in K.S.A. 72-5333b, and amendments thereto, may adopt a local option
10 budget in excess of 30% of state financial aid of the school district in the
11 current school year in accordance with subsection (c).

12 (e) Unless specifically stated otherwise in the resolution, the authority
13 to adopt a local option budget shall be continuous and permanent. The
14 board of any school district which is authorized to adopt a local option
15 budget may choose not to adopt such a budget or may adopt a budget in an
16 amount less than the amount authorized. If the board of any school district
17 whose authority to adopt a local option budget is not continuous and
18 permanent refrains from adopting a local option budget, the authority of
19 such school district to adopt a local option budget shall not be extended by
20 such refrainment beyond the period specified in the resolution authorizing
21 adoption of such budget.

22 (f) The board of any school district may initiate procedures to renew
23 or increase the authority to adopt a local option budget at any time during
24 a school year after the tax levied pursuant to section 19, and amendments
25 thereto, is certified to the county clerk under any existing authorization.

26 (g) The board of any school district that is authorized to adopt a local
27 option budget prior to the effective date of this act under a resolution that
28 authorized the adoption of such budget in accordance with the provisions
29 of this section in effect prior to its amendment by this act may continue to
30 operate under such resolution for the period of time specified in the
31 resolution or may abandon the resolution and operate under the provisions
32 of this section. Any such school district shall operate under the provisions
33 of this section after the period of time specified in the resolution has
34 expired.

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

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

1 (2) Subject to the limitation imposed under subsection (i)(3) and
2 section 17(e), and amendments thereto, amounts in the supplemental
3 general fund may be expended for any purpose for which expenditures
4 from the general fund are authorized or may be transferred to any program
5 weighted fund or categorical fund of the school district. Amounts in the
6 supplemental general fund attributable to any percentage over 25% of state
7 financial aid determined for the current school year may be transferred to
8 the capital improvements fund of the school district and the capital outlay
9 fund of the school district if such transfers are specified in the resolution
10 authorizing the adoption of a local option budget in excess of 25%.

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

15 (4) (A) Except as provided in subsection (i)(4)(B), any unexpended
16 budget remaining in the supplemental general fund of a school district at
17 the conclusion of any school year in which a local option budget is
18 adopted shall be maintained in such fund.

19 (B) If the school district received supplemental general state aid in
20 the school year, the state board shall determine the ratio of the amount of
21 supplemental general state aid received to the amount of the local option
22 budget of the school district for the school year and multiply the total
23 amount of the unexpended budget remaining by such ratio. An amount
24 equal to the amount of the product shall be transferred to the general fund
25 of the school district or remitted to the state treasurer. Upon receipt of any
26 such remittance, the state treasurer shall deposit the same in the state
27 treasury to the credit of the state school district finance fund.

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

31 (k) The provisions of this section shall be subject to the provisions of
32 section 18, and amendments thereto.

33 (l) As used in this section:

34 (1) "Authorized to adopt a local option budget" means that a school
35 district has adopted a resolution pursuant to subsection (c), (d) or (e).

36 (2) "State financial aid" shall have the meaning provided in section 4,
37 and amendments thereto, except that the term shall not include virtual
38 school state aid, as described in K.S.A. 72-3715, and amendments thereto.

39 (3) "State prescribed percentage" means 33% of state financial aid of
40 the school district in the current school year.

41 New Sec. 16. (a) (1) The provisions of this subsection shall apply in
42 any school year in which the amount of base state aid per pupil is \$4,433
43 or less.

1 (2) Except as provided in subsection (a)(3), the board of any school
2 district may adopt a local option budget that does not exceed the local
3 option budget calculated as if the base state aid per pupil was \$4,433, or
4 that does not exceed the local option budget as calculated pursuant to
5 section 15, and amendments thereto, whichever is greater.

6 (3) For school years 2017-2018 and 2018-2019, the board of any
7 school district may adopt a local option budget that does not exceed the
8 local option budget calculated as if the base state aid per pupil was \$4,490,
9 or that does not exceed the local option budget as calculated pursuant to
10 section 15, and amendments thereto, whichever is greater.

11 (b) The board of education of any school district may adopt a local
12 option budget that does not exceed the local option budget calculated as if
13 the school district received state aid for special education and related
14 services equal to the amount of state aid for special education and related
15 services received in school year 2008-2009, or that does not exceed the
16 local option budget as calculated pursuant to section 15, and amendments
17 thereto, whichever is greater.

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

21 (d) To the extent that the provisions of section 15, and amendments
22 thereto, conflict with this section, this section shall control.

23 New Sec. 17. (a) In each school year, each school district that has
24 adopted a local option budget is eligible for entitlement to an amount of
25 supplemental general state aid. Except as provided by section 18, and
26 amendments thereto, entitlement of a school district to supplemental
27 general state aid shall be determined by the state board as provided in this
28 subsection. The state board shall:

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

31 (2) rank the school districts from low to high on the basis of the
32 amounts of assessed valuation per pupil determined under subsection (a)
33 (1);

34 (3) identify the amount of the assessed valuation per pupil located at
35 the 81.2 percentile of the amounts ranked under subsection (a)(2);

36 (4) divide the assessed valuation per pupil of the school district as
37 determined under subsection (a)(1) by the amount identified under
38 subsection (a)(3);

39 (5) (A) If the quotient obtained under subsection (a)(4) equals or
40 exceeds one, the school district shall not be entitled to receive
41 supplemental general state aid; or

42 (B) if the quotient obtained under subsection (a)(4) is less than one,
43 subtract the quotient obtained under subsection (a)(4) from one, and

1 multiply such difference by the amount of the local option budget of the
2 school district. The resulting product is the amount of supplemental
3 general state aid the school district is entitled to receive for the school
4 year.

5 (b) If the amount of appropriations for supplemental general state aid
6 is less than the amount each school district is entitled to receive for the
7 school year, the state board shall prorate the amount appropriated among
8 the school districts in proportion to the amount each school district is
9 entitled to receive.

10 (c) The state board shall prescribe the dates upon which the
11 distribution of payments of supplemental general state aid to school
12 districts shall be due. Payments of supplemental general state aid shall be
13 distributed to school districts on the dates prescribed by the state board.
14 The state board shall certify to the director of accounts and reports the
15 amount due each school district, and the director of accounts and reports
16 shall draw a warrant on the state treasurer payable to the treasurer of the
17 school district. Upon receipt of the warrant, the treasurer of the school
18 district shall credit the amount thereof to the supplemental general fund of
19 the school district to be used for the purposes of such fund.

20 (d) If any amount of supplemental general state aid that is due to be
21 paid during the month of June of a school year pursuant to the other
22 provisions of this section is not paid on or before June 30 of such school
23 year, then such payment shall be paid on or after the ensuing July 1, as
24 soon as moneys are available therefor. Any payment of supplemental
25 general state aid that is due to be paid during the month of June of a school
26 year and that is paid to school districts on or after the ensuing July 1 shall
27 be recorded and accounted for by school districts as a receipt for the
28 school year ending on the preceding June 30.

29 (e) (1) Except as provided by subsection (e)(2), moneys received as
30 supplemental general state aid shall be used to meet the requirements
31 under the school performance accreditation system adopted by the state
32 board, to provide programs and services required by law and to improve
33 student performance.

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

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

1 New Sec. 18. (a) (1) For the purposes of determining the amount of
2 supplemental general state aid, the state board shall determine the ranking
3 of each of the former school districts of which the school district is
4 composed as required by section 17(a)(2), and amendments thereto, for the
5 school year prior to the effectuation of the consolidation or attachment.

6 (2) For the school year in which the consolidation or attachment is
7 effectuated and the next succeeding two school years, the ranking of the
8 school district for the purposes of section 17(a)(2), and amendments
9 thereto, shall be the ranking of the school district receiving the highest
10 amount of supplemental general state aid determined under subsection (a)
11 (1).

12 (c) The provisions of this section shall apply to school districts that
13 have consolidated or disorganized on and after July 1, 2004.

14 (d) As used in this section, "school district" means: (1) Any school
15 district formed by consolidation in accordance with article 87 of chapter
16 72 of the Kansas Statutes Annotated, and amendments thereto; or (2) any
17 school district formed by disorganization and attachment in accordance
18 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
19 amendments thereto, if all the territory that comprised a disorganized
20 school district is attached to a single school district.

21 New Sec. 19. (a) In each school year, the board of every school
22 district that has adopted a local option budget may levy an ad valorem tax
23 on the taxable tangible property of the school district for the purposes of:

24 (1) Financing that portion of the school district's local option budget
25 that is not financed from any other source provided by law;

26 (2) paying a portion of the principal and interest on bonds issued by
27 cities under authority of K.S.A. 12-1774, and amendments thereto, for the
28 financing of redevelopment projects upon property located within the
29 school district; and

30 (3) funding transfers to the capital improvement fund of the school
31 district and the capital outlay fund of the school district if such transfers
32 are specified in the resolution authorizing the adoption of a local option
33 budget in excess of 25% of state financial aid determined for the current
34 school year.

35 (b) The proceeds from the tax levied by a school district under
36 authority of this section, except the proceeds of such tax levied for the
37 purpose of paying a portion of the principal and interest on bonds issued
38 by cities under authority of K.S.A. 12-1774, and amendments thereto, for
39 the financing of redevelopment projects upon property located within the
40 school district, shall be deposited in the supplemental general fund of the
41 school district.

42 (c) No school district shall proceed under K.S.A. 79-1964, 79-1964a
43 or 79-1964b, and amendments thereto.

1 New Sec. 20. (a) In each school year, commencing with the 1997-
2 1998 school year, the state board shall compute a school district prescribed
3 percentage for the purpose of determining the amount of a local option
4 budget the board of a school district to which the provisions of this section
5 apply may adopt for the school year. The school district prescribed
6 percentage for each school district to which the provisions of this section
7 apply shall be computed by the state board as provided in this section. The
8 state board shall:

9 (1) Determine the actual amount per pupil for the preceding school
10 year of the general fund budget and the local option budget, if any, of each
11 school district;

12 (2) compute the average amount per pupil for the preceding school
13 year of general fund budgets and local option budgets of school districts
14 with an enrollment of 75-125 in such school year;

15 (3) compute the average amount per pupil for the preceding school
16 year of general fund budgets and local option budgets of school districts
17 with an enrollment of 200-399 in such school year;

18 (4) compute the average amount per pupil for the preceding school
19 year of general fund budgets and local option budgets of school districts
20 with an enrollment of 1,800 or more in such school year;

21 (5) compute an average amount per pupil for the preceding school
22 year of general fund budgets and local option budgets of school districts
23 with an enrollment of 100-299.9 in such school year by preparing a
24 schedule based upon an accepted mathematical formula and deriving an
25 amount for each such school district from a linear transition between the
26 average amount per pupil computed under subsection (a)(2) and the
27 average amount per pupil computed under subsection (a)(3);

28 (6) compute an average amount per pupil for the preceding school
29 year of general fund budgets and local option budgets of school districts
30 with an enrollment of 300-1,799.9 in such school year by preparing a
31 schedule based upon an accepted mathematical formula and deriving an
32 amount for each such school district from a linear transition between the
33 average amount per pupil computed under subsection (a)(3) and the
34 average amount per pupil computed under subsection (a)(4);

35 (7) for school districts with an enrollment of 0-99.9, compare the
36 amount determined for the school district under subsection (a)(1) to the
37 average amount computed under subsection (a)(2). If the amount
38 determined under subsection (a)(1) is equal to or greater than the average
39 amount computed under subsection (a)(2), the provisions of this section do
40 not apply to the school district. If the amount determined under subsection
41 (a)(1) is less than the average amount computed under subsection (a)(2),
42 subtract the amount determined under subsection (a)(1) from the amount
43 computed under subsection (a)(2), multiply the remainder by the

1 enrollment of the school district in the preceding school year, and divide
2 the product by the amount of state financial aid determined for the school
3 district in the preceding school year. The quotient is the school district
4 prescribed percentage of the school district;

5 (8) for school districts with an enrollment of 100-299.9, compare the
6 amount determined for the school district under subsection (a)(1) to the
7 average amount computed under subsection (a)(5). If the amount
8 determined under subsection (a)(1) is equal to or greater than the average
9 amount computed under subsection (a)(5), the provisions of this section do
10 not apply to the school district. If the amount determined under subsection
11 (a)(1) is less than the average amount computed under subsection (a)(5),
12 subtract the amount determined under subsection (a)(1) from the amount
13 computed under subsection (a)(5), multiply the remainder by the
14 enrollment of the school district in the preceding school year, and divide
15 the product by the amount of state financial aid determined for the school
16 district in the preceding school year. The quotient is the school district
17 prescribed percentage of the school district;

18 (9) for school districts with an enrollment of 300-1,799.9, compare
19 the amount determined for the school district under subsection (a)(1) to the
20 average amount computed under subsection (a)(6). If the amount
21 determined under subsection (a)(1) is equal to or greater than the average
22 amount computed under subsection (a)(6), the provisions of this section do
23 not apply to the school district. If the amount determined under subsection
24 (a)(1) is less than the average amount computed under subsection (a)(6),
25 subtract the amount determined under subsection (a)(1) from the amount
26 computed under subsection (a)(6), multiply the remainder by the
27 enrollment of the school district in the preceding school year, and divide
28 the product by the amount of state financial aid determined for the school
29 district in the preceding school year. The quotient is the school district
30 prescribed percentage of the school district;

31 (10) for school districts with an enrollment of 1,800 or more,
32 compare the amount determined for the school district under subsection (a)
33 (1) to the average amount computed under subsection (a)(4). If the amount
34 determined under subsection (a)(1) is equal to or greater than the average
35 amount computed under subsection (a)(4), the provisions of this section do
36 not apply to the school district. If the amount determined under subsection
37 (a)(1) is less than the average amount computed under subsection (a)(4),
38 subtract the amount determined under subsection (a)(1) from the amount
39 computed under subsection (a)(4), multiply the remainder by the
40 enrollment of the school district in the preceding school year, and divide
41 the product by the amount of state financial aid determined for the school
42 district in the preceding school year. The quotient is the school district
43 prescribed percentage of the school district.

1 (b) The provisions of this section apply to any school district that
2 budgeted an amount per pupil in the preceding school year, as determined
3 under subsection (a)(1), that was less than the average amount per pupil of
4 general fund budgets and local option budgets computed by the state board
5 under whichever of the subsections (a)(7) through (a)(10) is applicable to
6 the school district's enrollment group.

7 New Sec. 21. (a) The transportation weighting of each school district
8 shall be determined by the state board as follows:

9 (1) Determine the total expenditures of the school district during the
10 preceding school year from all funds for transporting pupils of public and
11 nonpublic schools on regular school routes;

12 (2) divide the amount determined under subsection (a)(1) by the total
13 number of pupils who were included in the enrollment of the school
14 district in the preceding school year and for whom transportation was
15 made available by the school district;

16 (3) multiply the quotient obtained under subsection (a)(2) by the total
17 number of pupils who were included in the enrollment of the school
18 district in the preceding school year, were residing less than $2\frac{1}{2}$ miles by
19 the usually traveled road from the school building they attended, and for
20 whom transportation was made available by the school district;

21 (4) multiply the product obtained under subsection (a)(3) by 50%;

22 (5) subtract the product obtained under subsection (a)(4) from the
23 amount determined under subsection (a)(1);

24 (6) divide the remainder obtained under subsection (a)(5) by the total
25 number of pupils who were included in the enrollment of the school
26 district in the preceding school year, were residing $2\frac{1}{2}$ miles or more by
27 the usually traveled road from the school building they attended and for
28 whom transportation was made available by the school district. The
29 quotient is the per-pupil cost of transportation;

30 (7) on a density-cost graph, plot the per-pupil cost of transportation
31 for each school district;

32 (8) construct a curve of best fit for the points so plotted;

33 (9) locate the index of density for the school district on the base line
34 of the density-cost graph and from the point on the curve of best fit
35 directly above this point of index of density follow a line parallel to the
36 base line to the point of intersection with the vertical line, which point is
37 the formula per-pupil cost of transportation of the school district;

38 (10) divide the formula per-pupil cost of transportation of the school
39 district by base state aid per pupil; and

40 (11) multiply the quotient obtained under subsection (a)(10) by the
41 number of pupils who are included in the enrollment of the school district,
42 are residing $2\frac{1}{2}$ miles or more by the usually traveled road to the school
43 building they attend, and for whom transportation is being made available

1 by, and at the expense of, the school district. The product is the
2 transportation weighting of the school district.

3 (b) For the purpose of providing accurate and reliable data on pupil
4 transportation, the state board is authorized to adopt rules and regulations
5 prescribing procedures that school districts shall follow in reporting
6 pertinent information relative thereto, including uniform reporting of
7 expenditures for transportation.

8 (c) As used in this section:

9 (1) "Index of density" means the number of pupils who are included
10 in the enrollment of a school district in the current school year, are residing
11 $2\frac{1}{2}$ miles or more by the usually traveled road from the school building
12 they attend, and for whom transportation is being made available on
13 regular school routes by the school district, divided by the number of
14 square miles of territory in the school district.

15 (2) "Density-cost graph" means a drawing having: (1) A horizontal or
16 base line divided into equal intervals of density, beginning with zero on the
17 left; and (2) a scale for per-pupil cost of transportation to be shown on a
18 line perpendicular to the base line at the left end thereof, such scale to
19 begin with zero dollars at the base line ascending by equal per-pupil cost
20 intervals.

21 (3) "Curve of best fit" means the curve on a density-cost graph drawn
22 so the sum of the distances squared from such line to each of the points
23 plotted on the graph is the least possible.

24 New Sec. 22. (a) The low enrollment weighting shall be determined
25 by the state board as provided by this section.

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

29 (c) For school districts with an enrollment of less than 100, the low
30 enrollment weighting shall be equal to the low enrollment weighting of a
31 school district with an enrollment of 100.

32 (d) For school districts with an enrollment of less than 1,637 in
33 school year 2006-2007 and less than 1,622 in school year 2007-2008 and
34 each school year thereafter and more than 99, the low enrollment
35 weighting shall be determined by the state board as follows:

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

38 (2) multiply the low enrollment weighting of each school district
39 determined under subsection (d)(1) by 3,863;

40 (3) add 3,863 to the product obtained under subsection (d)(2);

41 (4) divide the product obtained under subsection (d)(3) by 4,107; and

42 (5) subtract 1 from the product obtained under subsection (d)(4). The
43 difference shall be the low enrollment weighting of the school district.

1 New Sec. 23. The high enrollment weighting of each school district
2 with an enrollment of 1,637 or more in school year 2006-2007, and 1,622
3 or more in school year 2007-2008 and each school year thereafter shall be
4 determined by the state board as follows:

5 (a) Determine the schedule amount for a school district with an
6 enrollment of 1,637 in school year 2006-2007, and 1,622 in school year
7 2007-2008 and each school year thereafter as derived from the linear
8 transition under section 22(d), and amendments thereto, and subtract the
9 amount determined under section 22(c), and amendments thereto, from the
10 schedule amount so determined;

11 (b) divide the remainder obtained under subsection (a) by the amount
12 determined under section 22(c), and amendments thereto, and multiply the
13 quotient by the enrollment of the school district in the current school year.
14 The product is the high enrollment weighting of the school district.

15 New Sec. 24. (a) The program weighting of each school district shall
16 be determined by the state board as follows:

17 (1) Compute full time equivalent enrollment in programs of bilingual
18 education and multiply the computed enrollment by 0.395;

19 (2) compute full time equivalent enrollment in approved vocational
20 education programs and multiply the computed enrollment by 0.5;

21 (3) add the products obtained under subsections (a)(1) and (a)(2). The
22 sum is the program weighting of the school district.

23 (b) A school district may expend amounts received from the bilingual
24 weighting to pay the cost of providing at-risk and preschool-aged at-risk
25 education programs and services.

26 New Sec. 25. (a) The school facilities weighting of each school
27 district shall be determined in each school year in which such weighting
28 may be assigned to enrollment of the school district as follows:

29 (1) Determine the number of pupils, included in enrollment of the
30 school district, who are attending a new school facility;

31 (2) multiply the number of pupils determined under subsection (a)(1)
32 by 0.25. The product is the school facilities weighting of the school
33 district.

34 (b) School facilities weighting may be assigned to enrollment of a
35 school district only if:

36 (1) The school district has adopted a local option budget in an amount
37 equal to at least 25% of the amount of the state financial aid determined
38 for the school district in the current school year; and

39 (2) (A) the contractual bond obligations incurred by the school
40 district were approved by the electors of the school district at an election
41 held on or before July 1, 2018; or

42 (B) the school district commences operation of a new school facility
43 in school year 2018-2019 or 2019-2020 and the construction of such

1 facility was financed primarily with federal funds and such facility is
2 located on a military reservation. School facilities weighting may be
3 assigned to enrollment of the school district only in the school year in
4 which operation of a new school facility is commenced and in the next
5 succeeding school year.

6 New Sec. 26. The special education and related services weighting of
7 each school district shall be determined in each school year as follows:

8 (a) Add the amount of payments received by the school district under
9 the provisions of K.S.A. 72-979, and amendments thereto, to the amount
10 of a grant, if any, received by the school district under the provisions of
11 K.S.A. 72-983, and amendments thereto; and

12 (b) divide the sum obtained under subsection (a) by the base state aid
13 per pupil. The quotient is the special education and related services
14 weighting of the school district.

15 New Sec. 27. (a) The at-risk pupil weighting of each school district
16 shall be determined by the state board by multiplying the number of at-risk
17 pupils included in enrollment of the school district by 0.456 for school
18 year 2017-2018 and each school year thereafter. The product is the at-risk
19 pupil weighting of the school district.

20 (b) Except as provided in subsection (d), of the amount a school
21 district receives from the at-risk pupil weighting, an amount produced by a
22 pupil weighting of 0.01 shall be used by the school district for achieving
23 mastery of basic reading skills by completion of the third grade in
24 accordance with standards and outcomes of mastery identified by the state
25 board under K.S.A. 72-7534, and amendments thereto.

26 (c) A school district shall include such information in its at-risk pupil
27 assistance plan as the state board may require regarding the school
28 district's remediation strategies and the results thereof in achieving the
29 third grade reading standards and outcomes of mastery identified by the
30 state board. The reporting requirements shall include information
31 documenting remediation strategies and improvement made by pupils who
32 performed below the expected standard on the second grade diagnostic
33 reading test prescribed by the state board.

34 (d) A school district whose pupils substantially achieve the state
35 board standards and outcomes of mastery of reading skills upon
36 completion of third grade may be released, upon request, by the state
37 board from the requirements of subsection (b).

38 (e) (1) A school district may expend amounts received from the at-
39 risk pupil weighting to pay for the cost of providing full-day kindergarten
40 to any pupil enrolled in the school district and attending full-day
41 kindergarten, whether or not such pupil is an at-risk pupil.

42 (2) Nothing in this subsection shall be construed as requiring school
43 districts to provide full-day kindergarten or as requiring any pupil to attend

1 full-day kindergarten.

2 (3) As used in this subsection (e):

3 (A) "School district" means any school district that offers both full-
4 day and half-day kindergarten.

5 (B) "Cost" means that portion of the cost of providing full-day
6 kindergarten that is not paid by the state.

7 (f) A school district may expend amounts received from the at-risk
8 weighting to pay the cost of providing preschool-aged at-risk, bilingual
9 and vocational education programs and services.

10 New Sec. 28. (a) There is hereby established in every school district
11 an at-risk education fund, which shall consist of all moneys deposited
12 therein or transferred thereto according to law. The expenses of a school
13 district directly attributable to providing at-risk assistance or programs,
14 including assistance or programs provided to nonproficient pupils, shall be
15 paid from the at-risk education fund.

16 (b) (1) Any balance remaining in the at-risk education fund at the end
17 of the budget year shall be carried forward into the at-risk education fund
18 for succeeding budget years. Such fund shall not be subject to the
19 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
20 In preparing the budget of such school district, the amounts credited to and
21 the amount on hand in the at-risk education fund, and the amount
22 expended therefrom shall be included in the annual budget for the
23 information of the residents of the school district. Interest earned on the
24 investment of moneys in any such fund shall be credited to that fund.

25 (2) Any unencumbered balance of moneys remaining in the at-risk
26 education fund of a school district on June 30 of the current school year,
27 may be expended in the school year that immediately succeeds such date
28 by the school district for general operating expenses of the school district
29 as approved by the board of education.

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

38 (d) In order to achieve uniform reporting of the number of at-risk
39 pupils and nonproficient pupils provided service or assistance by school
40 districts in at-risk programs, school districts shall report the number of at-
41 risk pupils and nonproficient pupils served or assisted in the manner
42 required by the state board.

43 New Sec. 29. (a) There is hereby established in every school district a

1 preschool-aged at-risk education fund, which shall consist of all moneys
2 deposited therein or transferred thereto according to law. The expenses of a
3 school district directly attributable to providing preschool-aged at-risk
4 assistance or programs shall be paid from the preschool-aged at-risk
5 education fund.

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

9 (c) (1) Any balance remaining in the preschool-aged at-risk education
10 fund at the end of the budget year shall be carried forward into the
11 preschool-aged at-risk education fund for succeeding budget years. Such
12 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
13 2937, and amendments thereto. In preparing the budget of such school
14 district, the amounts credited to and the amount on hand in the preschool-
15 aged at-risk education fund and the amount expended therefrom shall be
16 included in the annual budget for the information of the residents of the
17 school district. Interest earned on the investment of moneys in any such
18 fund shall be credited to that fund.

19 (2) Any unencumbered balance of moneys remaining in the
20 preschool-aged at-risk education fund of a school district on June 30 of the
21 current school year may be expended in the school year that immediately
22 succeeds such date by the school district for general operating expenses of
23 the school district as approved by the board of education.

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

32 New Sec. 30. (a) The high density at-risk pupil weighting of each
33 school district shall be determined by the state board in accordance with
34 this section.

35 (b) Except as provided in subsection (d), if the school district has an
36 enrollment of at least 35%, but less than 50% at-risk pupils, the state board
37 shall:

38 (1) Subtract 35% from the percentage of at-risk enrollment in the
39 school district;

40 (2) multiply the amount determined under subsection (b)(1) by 0.7;
41 and

42 (3) multiply the number of at-risk pupils enrolled in the school
43 district by the product determined under subsection (b)(2). The resulting

1 product is the high density at-risk pupil weighting of the school district.

2 (c) If the school district has an enrollment of 50% or more at-risk
3 pupils, the state board shall multiply the number of at-risk pupils by 0.105.
4 The resulting product is the high density at-risk pupil weighting of the
5 school district.

6 (d) If the school district has an enrollment of at least 35.1% at-risk
7 pupils and an enrollment density of at least 212.1 pupils per square mile,
8 the state board shall multiply the number of at-risk pupils by 0.105. The
9 resulting product is the high density at-risk pupil weighting of the school
10 district.

11 New Sec. 31. (a) If a pupil submits an application for free meals
12 under the national school lunch act on or before the date on which the
13 enrollment of the school district is calculated and it is later determined by
14 the school district or the department of education that the pupil should not
15 have been eligible for free meals, the school district or the department
16 shall notify the state board of such determination. Except as provided in
17 subsection (b), upon receipt of such notice, the state board shall recompute
18 the adjusted enrollment of the school district and the general fund budget
19 of the school district based on the adjusted enrollment of the school district
20 excluding the at-risk pupil weighting and high density at-risk pupil
21 weighting, if any, assigned to such pupil.

22 (b) If a pupil becomes ineligible to receive free meals under the
23 national school lunch act for failure to submit, in a timely manner, any
24 documentation necessary for verification of eligibility as required by the
25 national school lunch act, but subsequently submits such documentation,
26 such pupil shall not be excluded from the calculation of the adjusted
27 enrollment of the school district if the school district forwards a copy of
28 such documentation to the state board no later than January 14 of the
29 school year.

30 New Sec. 32. For the purpose of determining the general fund budget
31 of a school district, weightings shall not be assigned to a pupil enrolled in
32 and attending KAMS. Moneys in the general fund which are attributable to
33 a pupil enrolled in and attending KAMS shall not be included in the
34 computation of the local option budget of the school district.

35 New Sec. 33. (a) (1) The board of any school district to which the
36 provisions of this subsection apply may levy an ad valorem tax on the
37 taxable tangible property of the school district each year for a period of
38 time not to exceed two years in an amount not to exceed the amount
39 authorized by the state board of tax appeals under this subsection for the
40 purpose of financing the costs incurred by the state that are directly
41 attributable to assignment of ancillary school facilities weighting to
42 enrollment of the school district. The state board of tax appeals may
43 authorize the school district to make a levy that will produce an amount

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

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

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

23 (4) The provisions of this subsection apply to any school district that:

24 (A) Commenced operation of one or more new school facilities in the
25 school year preceding the current school year or has commenced or will
26 commence operation of one or more new school facilities in the current
27 school year or any or all of the foregoing;

28 (B) is authorized to adopt and has adopted a local option budget that
29 is at least equal to that amount required to qualify for school facilities
30 weighting under section 25, and amendments thereto; and

31 (C) is experiencing extraordinary enrollment growth as determined by
32 the state board of education.

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

1 not greater than the amount computed by the state board of education as
2 provided in this subsection. In computing such amount, the state board
3 shall:

4 (1) Determine the amount produced by the tax levied by the school
5 district under authority of subsection (a) in the second year for which such
6 tax was levied and add to such amount the amount of general state aid
7 directly attributable to school facilities weighting that was received by the
8 school district in the same year;

9 (2) compute 90% of the amount of the sum obtained under subsection
10 (b)(1), which computed amount is the amount the school district may levy
11 in the first year of the six-year period for which the school district may
12 levy a tax under authority of this subsection;

13 (3) compute 75% of the amount of the sum obtained under subsection
14 (b)(1), which computed amount is the amount the school district may levy
15 in the second year of the six-year period for which the school district may
16 levy a tax under authority of this subsection;

17 (4) compute 60% of the amount of the sum obtained under subsection
18 (b)(1), which computed amount is the amount the school district may levy
19 in the third year of the six-year period for which the school district may
20 levy a tax under authority of this subsection;

21 (5) compute 45% of the amount of the sum obtained under subsection
22 (b)(1), which computed amount is the amount the school district may levy
23 in the fourth year of the six-year period for which the school district may
24 levy a tax under authority of this subsection;

25 (6) compute 30% of the amount of the sum obtained under subsection
26 (b)(1), which computed amount is the amount the school district may levy
27 in the fifth year of the six-year period for which the school district may
28 levy a tax under authority of this subsection; and

29 (7) compute 15% of the amount of the sum obtained under subsection
30 (b)(1), which computed amount is the amount the school district may levy
31 in the sixth year of the six-year period for which the school district may
32 levy a tax under authority of this subsection.

33 In determining the amount produced by the tax levied by the school
34 district under authority of subsection (a), the state board shall include any
35 moneys that have been apportioned to the ancillary facilities fund of the
36 school district from taxes levied under the provisions of K.S.A. 79-5101 et
37 seq. and 79-5118 et seq., and amendments thereto.

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

1 (d) The ancillary school facilities weighting of each school district
2 shall be determined in each school year in which such weighting may be
3 assigned to enrollment of the school district as follows:

4 (1) Add the amount authorized under subsection (a) to be produced
5 by a tax levy and certified to the state board by the state board of tax
6 appeals to the amount, if any, computed under subsection (b) to be
7 produced by a tax levy;

8 (2) divide the sum obtained under subsection (d)(1) by base state aid
9 per pupil. The quotient is the ancillary school facilities weighting of the
10 school district.

11 New Sec. 34. (a) Subject to subsection (b), the board of any school
12 district may levy a tax on the taxable tangible property within the school
13 district for the purpose of financing the costs incurred by the state that are
14 attributable directly to assignment of the cost-of-living weighting to the
15 enrollment of the school district. There is hereby established in every
16 school district a cost-of-living fund, which shall consist of all moneys
17 deposited therein or transferred thereto in accordance with law. All moneys
18 derived from a tax imposed pursuant to this section shall be credited to the
19 cost-of-living fund. The proceeds from the tax levied by a school district
20 credited to the cost-of-living fund shall be remitted to the state treasurer in
21 accordance with the provisions of K.S.A. 75-4215, and amendments
22 thereto. Upon receipt of each such remittance, the state treasurer shall
23 deposit the entire amount in the state treasury to the credit of the state
24 school district finance fund.

25 (b) The state board of education shall determine whether a school
26 district may levy a tax under this section as follows:

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

29 (2) multiply the amount determined under subsection (b)(1) by 1.25;

30 (3) determine the average appraised value of single family residences
31 in each school district for the calendar year preceding the current school
32 year; and

33 (4) (A) subtract the amount determined under subsection (b)(2) from
34 the amount determined under subsection (b)(3). If the amount determined
35 for the school district under this paragraph is a positive number and the
36 school district is authorized to adopt and has adopted a local option budget
37 in an amount equal to at least 31% of the state financial aid for the school
38 district, the school district qualifies for assignment of cost-of-living
39 weighting and may levy a tax on the taxable tangible property of the
40 school district for the purpose of financing the costs that are attributable
41 directly to assignment of the cost-of-living weighting to enrollment of the
42 school district; or

43 (B) as an alternative to the authority provided in subsection (b)(4)(A),

1 if a school district was authorized to make a levy pursuant to this section
2 in school year 2006-2007, such school district shall remain authorized to
3 levy such tax at a rate necessary to generate revenue in the same amount
4 generated in school year 2006-2007 if:

5 (i) The amount determined under subsection (b)(4)(A) is a positive
6 number; and

7 (ii) the school district continues to adopt a local option budget in an
8 amount equal to the state prescribed percentage in effect in school year
9 2006-2007.

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

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

17 RESOLUTION

18 Be It Resolved that:

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

32 CERTIFICATE

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

36 _____
37 Clerk of the board of education.

38
39 All of the blanks in the resolution shall be filled appropriately. If no
40 petition as specified above is filed in accordance with the provisions of the
41 resolution, the resolution authorizing the ad valorem tax levy shall become
42 effective. If a petition is filed as provided in the resolution, the board may
43 notify the county election officer to submit the question of whether such

1 tax levy shall be authorized. If the board fails to notify the county election
2 officer within 30 days after a petition is filed, the resolution shall be
3 deemed abandoned and of no force and effect and no like resolution shall
4 be adopted by the board within the nine months following publication of
5 the resolution. If a majority of the votes cast in an election conducted
6 pursuant to this provision are in favor of the resolution, such resolution
7 shall be effective on the date of such election. If a majority of the votes
8 cast are not in favor of the resolution, the resolution shall be deemed of no
9 effect and no like resolution shall be adopted by the board within the nine
10 months following such election.

11 (d) In determining the amount produced by the tax levied by the
12 school district under the authority of this section, the state board shall
13 include any moneys that have been apportioned to the cost-of-living fund
14 of the school district from taxes levied under the provisions of K.S.A. 79-
15 5101 et seq. and 79-5118 et seq., and amendments thereto.

16 (e) The cost-of-living weighting of a school district shall be
17 determined by the state board in each school year in which such weighting
18 may be assigned to enrollment of the school district as follows:

19 (1) Divide the amount determined under subsection (b)(4) by the
20 amount determined under subsection (b)(2);

21 (2) multiply the dividend determined under subsection (e)(1) by
22 0.095;

23 (3) multiply the school district's state financial aid, excluding the
24 amount determined under this provision, by the lesser of the product
25 determined under subsection (e)(2) or 0.05; and

26 (4) divide the product determined under subsection (e)(3) by the base
27 state aid per pupil for the current school year. The quotient is the cost-of-
28 living weighting of the school district.

29 New Sec. 35. (a) (1) (A) A school district may levy an ad valorem
30 tax on the taxable tangible property of the school district each year for a
31 period of time not to exceed two years in an amount not to exceed the
32 amount authorized by the state board of tax appeals under this subsection
33 for the purpose of financing the costs incurred by the state that are directly
34 attributable to assignment of declining enrollment weighting to enrollment
35 of the school district. The state board of tax appeals may authorize the
36 school district to make a levy which will produce an amount that is not
37 greater than the amount of revenues lost as a result of the declining
38 enrollment of the school district. Such amount shall not exceed 5% of the
39 general fund budget of the school district in the school year in which the
40 school district applies to the state board of tax appeals for authority to
41 make a levy pursuant to this section.

42 (B) As an alternative to the authority provided in subsection (a)(1)
43 (A), if a school district was authorized to make a levy pursuant to this

1 section in school year 2006-2007, such school district shall remain
2 authorized to make a levy at a rate necessary to generate revenue in the
3 same amount that was generated in school year 2007-2008 if the school
4 district adopts a local option budget in an amount equal to the state
5 prescribed percentage in effect in school year 2006-2007.

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

8 (3) The state board shall prescribe guidelines for the data that school
9 districts shall include in cases before the state board of tax appeals
10 pursuant to this section.

11 (b) A school district may levy the tax authorized pursuant to this
12 section for a period of time not to exceed two years unless authority to
13 make such levy is renewed by the state board of tax appeals. The state
14 board of tax appeals may renew the authority to make such levy for
15 periods of time not to exceed two years.

16 (c) The state board shall provide to the state board of tax appeals such
17 school data and information requested by the state board of tax appeals
18 and any other information deemed necessary by the state board.

19 (d) There is hereby established in every school district a declining
20 enrollment fund, which shall consist of all moneys deposited therein or
21 transferred thereto according to law. The proceeds from the tax levied by a
22 school district under authority of this section shall be credited to the
23 declining enrollment fund of the school district. The proceeds from the tax
24 levied by a school district credited to the declining enrollment fund shall
25 be remitted to the state treasurer in accordance with the provisions of
26 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
27 remittance, the state treasurer shall deposit the entire amount in the state
28 treasury to the credit of the state school district finance fund.

29 (e) In determining the amount produced by the tax levied by the
30 school district under authority of this section, the state board shall include
31 any moneys that have been apportioned to the declining enrollment fund of
32 the school district from taxes levied under the provisions of K.S.A. 79-
33 5101 et seq. and 79-5118 et seq., and amendments thereto.

34 (f) In each school year, each school district that imposes a declining
35 enrollment levy pursuant to subsection (a) is eligible for entitlement to an
36 amount of declining enrollment state aid. Entitlement of a school district to
37 such state aid shall be determined by the state board as provided in this
38 subsection. The state board shall:

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

41 (2) rank the school districts from low to high on the basis of the
42 amounts of assessed valuation per pupil determined under subsection (f)
43 (1);

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

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

5 (5) subtract the ratio obtained under subsection (f)(4) from 1.0. If the
6 resulting ratio equals or exceeds 1.0, the eligibility of the school district
7 for entitlement to declining enrollment state aid shall lapse. If the resulting
8 ratio is less than 1.0, the school district is entitled to receive declining
9 enrollment state aid in an amount which shall be determined by the state
10 board by multiplying the amount the school district is obligated to pay
11 under subsection (c) by such ratio. The product is the amount of declining
12 enrollment state aid the school district is entitled to receive for the school
13 year.

14 (g) If the amount of appropriations for declining enrollment state aid
15 is less than the amount each school district is entitled to receive for the
16 school year, the state board shall prorate the amount appropriated among
17 the school districts in proportion to the amount each school district is
18 entitled to receive.

19 (h) The state board shall prescribe the dates upon which the
20 distribution of payments of declining enrollment state aid to school
21 districts shall be due. Payments of such state aid shall be distributed to
22 school districts on the dates prescribed by the state board. The state board
23 shall certify to the director of accounts and reports the amount due each
24 school district, and the director of accounts and reports shall draw a
25 warrant on the state treasurer payable to the treasurer of the school district.
26 Upon receipt of the warrant, the treasurer of the school district shall credit
27 the amount thereof to the declining enrollment fund of the school district
28 to be used for the purposes of such fund.

29 (i) If any amount of declining enrollment state aid that is due to be
30 paid during the month of June of a school year pursuant to the other
31 provisions of this section is not paid on or before June 30 of such school
32 year, then such payment shall be paid on or after the ensuing July 1, as
33 soon as moneys are available therefor. Any payment of declining
34 enrollment state aid that is due to be paid during the month of June of a
35 school year and that is paid to school districts on or after the ensuing July
36 1 shall be recorded and accounted for by school districts as a receipt for
37 the school year ending on the preceding June 30.

38 (j) As used in this section:

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

41 (2) "School district" means a school district that: (A) Has a declining
42 enrollment; and (B) has adopted a local option budget in an amount that
43 equals at least 31% of the state financial aid for the school district at the

1 time the school district applies to the state board of tax appeals for
2 authority to make a levy pursuant to this section.

3 New Sec. 36. (a) There is hereby established in every school district a
4 special education fund, which shall consist of all moneys deposited therein
5 or transferred thereto according to law. Notwithstanding any other
6 provision of law, all moneys received by the school district from whatever
7 source for special education shall be credited to the special education fund
8 established by this section, except that: (1) Amounts of payments received
9 by a school district under K.S.A. 72-979, and amendments thereto, and
10 amounts of grants, if any, received by a school district under K.S.A. 72-
11 983, and amendments thereto, shall be deposited in the general fund of the
12 school district and transferred to the special education fund; and (2)
13 moneys received by a school district pursuant to lawful agreements made
14 under K.S.A. 72-968, and amendments thereto, shall be credited to the
15 special fund established under the agreements.

16 (b) The expenses of a school district directly attributable to special
17 education shall be paid from the special education fund and from special
18 funds established under K.S.A. 72-968, and amendments thereto.

19 (c) Obligations of a school district pursuant to lawful agreements
20 made under K.S.A. 72-968, and amendments thereto, shall be paid from
21 the special education fund established by this section.

22 (d) Except for moneys received under K.S.A. 72-978, and
23 amendments thereto, from cooperative agreements entered into under
24 K.S.A. 72-968, and amendments thereto, any unencumbered balance of
25 moneys attributable to appropriations by the legislature for special
26 education or related services remaining in the special education fund of a
27 school district on June 30 of the current school year, may be expended in
28 the school year that immediately succeeds such date by the school district
29 for general operating expenses of the school district as approved by the
30 board of education in an amount not to exceed $\frac{1}{3}$ of the unencumbered
31 balance of the school district's special education fund.

32 New Sec. 37. (a) There is hereby established in every school district a
33 career technical education fund, which shall consist of all moneys
34 deposited therein or transferred thereto according to law. All moneys
35 received by a school district for any course or program authorized and
36 approved under the provisions of article 44 of chapter 72 of Kansas
37 Statutes Annotated, and amendments thereto, except for courses and
38 programs conducted in an area vocational school, shall be credited to the
39 vocational education fund. All moneys received by the school district from
40 tuition, fees or charges or from any other source for vocational education
41 courses or programs, except for courses and programs conducted in an
42 area vocational school, shall be credited to the vocational education fund.
43 The expenses of a school district directly attributable to vocational

1 education shall be paid from the vocational education fund.

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

8 (c) (1) Any balance remaining in the vocational education fund at the
9 end of the budget year shall be carried forward into the vocational
10 education fund for succeeding budget years. Such fund shall not be subject
11 to the provisions of K.S.A. 79-2925 through 79-2937, and amendments
12 thereto. In preparing the budget of such school district, the amounts
13 credited to and the amount on hand in the vocational education fund, and
14 the amount expended therefrom shall be included in the annual budget for
15 the information of the residents of the school district. Interest earned on
16 the investment of moneys in any such fund shall be credited to that fund.

17 (2) Any unencumbered balance of moneys attributable to
18 appropriations by the legislature in the vocational education fund of a
19 school district on June 30 of the current school year may be expended in
20 the school year that immediately succeeds such date by the school district
21 for general operating expenses of the school district as approved by the
22 board of education.

23 New Sec. 38. (a) There is hereby established in every school district a
24 driver training fund, which shall consist of all moneys deposited therein or
25 transferred thereto according to law. All moneys received by the school
26 district from distributions made from the state safety fund and the
27 motorcycle safety fund and from tuition, fees or charges for driver training
28 courses shall be credited to the driver training fund. The expenses of a
29 school district directly attributable to driver training shall be paid from the
30 driver training fund.

31 (b) Any unencumbered balance of moneys remaining in the driver
32 training fund of a school district on June 30 of the current school year may
33 be expended in the school year that immediately succeeds such date by the
34 school district for general operating expenses of the school district as
35 approved by the board of education.

36 New Sec. 39. There is hereby established in every school district a
37 food service fund, which shall consist of all moneys deposited therein or
38 transferred thereto according to law. All moneys received by the school
39 district for food service and from charges for food service shall be credited
40 to the food service fund. The expenses of a school district attributable to
41 food service shall be paid from the food service fund.

42 New Sec. 40. (a) There is hereby established in every school district a
43 contingency reserve fund, which shall consist of all moneys deposited

1 therein or transferred thereto according to law. The fund shall be
2 maintained for payment of expenses of a school district attributable to
3 financial contingencies as determined by the board.

4 (b) Any unencumbered balance of moneys remaining in the
5 contingency reserve fund of a school district on June 30 of the current
6 school year may be expended in the school year that immediately succeeds
7 such date by the school district for general operating expenses of the
8 school district as approved by the board of education.

9 New Sec. 41. (a) Except as otherwise provided in this section, any
10 revenues of a school district not required by law to be deposited in or
11 credited to a specific fund shall be deposited in or credited to any program
12 weighted fund or any categorical fund of the school district or to the
13 capital outlay fund of the school district.

14 (b) At the discretion of the board of any school district, revenues
15 earned from the investment of an activity fund of the school district in
16 accordance with the provisions of K.S.A. 12-1675, and amendments
17 thereto, may be deposited in or credited to such activity fund.

18 (c) (1) At the discretion of the board of any school district and subject
19 to subsection (c)(2), any revenues specified in subsections (a) and (b) may
20 be deposited in or credited to the general fund of the school district in any
21 school year for which the allotment system authorized under K.S.A. 75-
22 3722, and amendments thereto, has been inaugurated and applied to
23 appropriations made for general state aid or in any school year for which
24 any portion of the appropriations made for general state aid are lapsed by
25 act of the legislature.

26 (2) In no event may the amount of revenues deposited in or credited
27 to the general fund of the school district under authority of subsection (c)
28 (1) exceed an amount equal to the amount of the reduction in general state
29 aid entitlement of the school district determined by the state board to be
30 the result of application of the allotment system to the appropriations made
31 for general state aid or of the lapse of any portion thereof by act of the
32 legislature.

33 (d) At the discretion of the board of any school district, revenues
34 received by the school district from the federal government as the school
35 district's share of the proceeds derived from sale by the federal government
36 of its rights to oil, gas and other minerals located beneath the surface of
37 lands within the school district's boundaries may be deposited in the bond
38 and interest fund of the school district and used for the purposes of such
39 fund. If at any time all indebtedness and obligations of such fund have
40 been fully paid and canceled, the revenues authorized by this subsection to
41 be deposited in such fund shall be disposed of as provided in subsection
42 (a).

43 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and

1 amendments thereto, conflict with this section, this section shall control.

2 New Sec. 42. (a) Any lawful transfer of moneys from the general
3 fund of a school district to any other fund shall be an operating expense in
4 the year the transfer is made. The board of any school district may transfer
5 moneys from the general fund to any categorical fund of the school district
6 in any school year. The board of any school district may transfer moneys
7 from the general fund to any program weighted fund of the school district,
8 subject to the following conditions:

9 (1) No board shall transfer moneys in any amount from the general
10 fund to a program weighted fund prior to maturation of the obligation of
11 the fund necessitating the transfer.

12 (2) The board may transfer moneys in an amount not to exceed the
13 amount of the obligation of the program weighted fund necessitating the
14 transfer.

15 (b) The board of any school district may transfer moneys from the
16 general fund to the contingency reserve fund of the school district, subject
17 to the limitations imposed upon the amount authorized to be maintained in
18 the contingency reserve fund under section 42, and amendments thereto.

19 (c) The board of any school district may transfer moneys from the
20 general fund to the capital outlay fund of the school district.

21 (d) The board of any school district may transfer moneys from the
22 general fund to the special reserve fund.

23 (e) The board of any school district may transfer moneys from the
24 general fund to the special liability expense fund.

25 (f) The board of any school district may transfer moneys from the
26 general fund to the textbook and student materials revolving fund.

27 (g) In each school year, any board may transfer to its general fund
28 from any fund to which transfers from the general fund are authorized an
29 amount not to exceed an amount equal to the amount transferred from the
30 general fund to any such fund in the same school year.

31 New Sec. 43. Expenditures of a school district for the following
32 purposes are not operating expenses:

33 (a) Payments to another school district in an adjustment of rights as
34 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of
35 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and
36 amendments thereto, if paid from any fund other than the general fund.

37 (b) Payments to another school district under K.S.A. 72-7105a, and
38 amendments thereto.

39 (c) The maintenance of student activities which are reimbursed.

40 (d) Expenditures from any lawfully authorized fund of a school
41 district other than its general fund.

42 (e) The provision of educational services for pupils residing at the
43 Flint Hills job corps center, for pupils housed at a psychiatric residential

1 treatment facility or for pupils confined in a juvenile detention facility for
2 which the school district is reimbursed by a grant of state moneys as
3 provided in K.S.A. 72-8187, and amendments thereto. As used in this
4 subsection, juvenile detention facility and psychiatric residential treatment
5 facility have the meanings ascribed thereto by K.S.A. 72-8187, and
6 amendments thereto.

7 (f) Programs financed in part or in whole by federal funds which may
8 be expended although not included in the budget of the school district,
9 excepting funds received under the provisions of title I of public law 874,
10 but not including in such exception amounts received for assistance in
11 cases of major disaster and amounts received under the low-rent housing
12 program, to the extent of the federal funds to be provided.

13 New Sec. 44. In case a school district expends in any school year an
14 amount for operating expenses that exceeds its general fund budget, the
15 state board shall determine the excess and deduct the same from amounts
16 of general state aid payable to the school district during the next school
17 year.

18 New Sec. 45. (a) For school year 2017-2018, and each school year
19 thereafter, subject to any limitations as provided in this act, any school
20 district may expend the unencumbered balance of the moneys held in the
21 at-risk education fund, as provided in section 28, and amendments thereto,
22 bilingual education fund, as provided in K.S.A. 72-9509, and amendments
23 thereto, contingency reserve fund, as provided in section 40, and
24 amendments thereto, driver training fund, as provided in section 38, and
25 amendments thereto, parent education program fund, as provided in
26 K.S.A. 72-3607, and amendments thereto, preschool-aged at-risk
27 education fund, as provided in section 29, and amendments thereto,
28 professional development fund, as provided in K.S.A. 72-9609, and
29 amendments thereto, summer program fund, as provided in K.S.A. 72-
30 8237, and amendments thereto, textbook and student materials revolving
31 fund, as provided in K.S.A. 72-8250, and amendments thereto, special
32 education fund, as provided in K.S.A. 72-965 and section 36, and
33 amendments thereto, virtual school fund, as provided in K.S.A. 72-3715,
34 and amendments thereto, and vocational education fund, as provided in
35 section 37, and amendments thereto, to pay for general operating expenses
36 of the school district out of the general fund as approved by the board of
37 education of such school district.

38 The board of education of a school district shall consider the use of
39 such funds in the following order of priority:

40 (1) At-risk education fund, bilingual education fund, contingency
41 reserve fund, driver training fund, parent education program fund,
42 preschool-aged at-risk education fund, professional development fund,
43 summer program fund, virtual school fund and vocational education fund;

1 (2) textbook and student materials revolving fund; and

2 (3) special education fund.

3 The board of education of a school district shall not be limited to the
4 order of priority as listed in this subsection if the board so chooses. The
5 board of education of a school district shall not be required to use the total
6 amount of the unencumbered balance of moneys in a fund before using the
7 unencumbered balance of moneys in another fund.

8 (b) The amount of money expended by a school district in school
9 year 2017-2018, and each school year thereafter, from the unencumbered
10 balance of moneys in the funds under subsection (a) shall not exceed, in
11 the aggregate, an amount determined by the state board of education. Such
12 amount shall be determined by the state board as follows:

13 (1) Determine the adjusted enrollment of the school district,
14 excluding special education and related services weighting, for the current
15 school year;

16 (2) multiply the adjusted enrollment determined under subsection (b)
17 (1) by \$250. The product is the aggregate amount of moneys that may be
18 expended by a school district in the current school year from the
19 unencumbered balance of moneys in the funds under subsection (a).

20 (c) It is the public policy goal of the state of Kansas that at least 65%
21 of the aggregate of all unencumbered balances authorized to be expended
22 for general operating expenses pursuant to subsection (a) shall be
23 expended in the classroom or for instruction, as provided in K.S.A. 2016
24 Supp. 72-64c01, and amendments thereto.

25 (d) The superintendent appointed by the board of education of each
26 school district under K.S.A. 72-8202b, and amendments thereto, shall
27 report the unencumbered balance of moneys in each fund listed in
28 subsection (a) to the board of education in July of each year at the meeting
29 described in K.S.A. 72-8205, and amendments thereto, and to the state
30 board of education on or before July 15 of such year.

31 New Sec. 46. (a) In order to accomplish the mission for Kansas
32 education, the state board of education shall design and adopt a school
33 performance accreditation system based upon improvement in
34 performance that reflects high academic standards and is measurable.

35 (b) The state board shall establish curriculum standards that reflect
36 high academic standards for the core academic areas of mathematics,
37 science, reading, writing and social studies. The curriculum standards shall
38 be reviewed at least every seven years. Nothing in this subsection shall be
39 construed in any manner so as to impinge upon any school district's
40 authority to determine its own curriculum.

41 (c) The state board shall provide for statewide assessments in the core
42 academic areas of mathematics, science, reading, writing and social
43 studies. The board shall ensure compatibility between the statewide

1 assessments and the curriculum standards established pursuant to
2 subsection (b). Such assessments shall be administered at three grade
3 levels, as determined by the board. The state board shall determine
4 performance levels on the statewide assessments, the achievement of
5 which represents high academic standards in the academic area at the
6 grade level to which the assessment applies. The state board should specify
7 high academic standards both for individual performance and school
8 performance on the assessments.

9 (d) Each school in every school district shall establish a school site
10 council composed of the principal and representatives of teachers and
11 other school personnel, parents of pupils attending the school, the business
12 community and other community groups. School site councils shall be
13 responsible for providing advice and counsel in evaluating state, school
14 district, and school site performance goals and objectives and in
15 determining the methods that should be employed at the school site to
16 meet these goals and objectives. Site councils may make recommendations
17 and proposals to the school board regarding budgetary items and school
18 district matters, including, but not limited to, identifying and implementing
19 the best practices for developing efficient and effective administrative and
20 management functions. Site councils also may help school boards analyze
21 the unique environment of schools, enhance the efficiency and maximize
22 limited resources, including outsourcing arrangements and cooperative
23 opportunities as a means to address limited budgets.

24 (e) Whenever the state board of education determines that a school
25 has failed either to meet the accreditation requirements established by
26 rules and regulations or standards adopted by the state board or provide the
27 curriculum required by state law, the state board shall so notify the school
28 district in which the school is located. Such notice shall specify the
29 accreditation requirements that the school has failed to meet and the
30 curriculum that the school has failed to provide. Upon receipt of such
31 notice, the board of education of such school district is encouraged to
32 reallocate the resources of the school district to remedy all deficiencies
33 identified by the state board. When making such reallocation, the board of
34 education shall take into consideration the resource strategies of highly
35 resource-efficient school districts as identified in phase III of the Kansas
36 education resource management study conducted by Standard and Poor's
37 (March 2006).

38 New Sec. 47. The state board may adopt rules and regulations for the
39 administration of this act, including the classification of expenditures of
40 school districts to ensure uniform reporting of operating expenses.

41 New Sec. 48. Except as provided by this section, the provisions of
42 this act shall not be severable. If any provision of this act, other than the
43 provisions relating to declining enrollment and the increase in

1 supplemental general state aid attributable to the increase in the state
2 prescribed percentage under section 15, and amendments thereto, is held to
3 be invalid or unconstitutional by court order, the entire act shall be null
4 and void.

5 New Sec. 49. (a) As used in this section:

6 (1) "Pupil" means a pupil who is a resident of and enrolled, on a full-
7 time basis, in a school district.

8 (2) "School district" means a school district that does not offer
9 advanced placement courses and that is either more than 200 square miles
10 in area or has an enrollment of at least 260 pupils and does not offer
11 advanced placement courses.

12 (b) If a pupil is enrolled in at least one advanced placement course
13 provided by a virtual school, the school district offering the virtual school
14 shall be paid an amount equal to 8% of the amount of base state aid per
15 pupil for such pupil as additional virtual school state aid. Such state aid
16 shall be paid in each semester in which a pupil is enrolled in at least one
17 advanced placement course provided by a virtual school.

18 New Sec. 50. (a) There is hereby established in the state treasury the
19 school district capital outlay state aid fund, which shall consist of all
20 amounts transferred thereto under the provisions of subsection (c).

21 (b) In each school year, each school district that levies a tax pursuant
22 to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled to
23 receive payment from the school district capital outlay state aid fund in an
24 amount determined by the state board of education as provided in this
25 subsection. The state board of education shall:

26 (1) Determine the amount of the assessed valuation per pupil (AVPP)
27 of each school district in the state for the second preceding school year
28 from the current school year and round such amount to the nearest \$1,000.
29 The rounded amount is the AVPP of a school district for the purposes of
30 this section;

31 (2) determine the median AVPP of all school districts;

32 (3) prepare a schedule of dollar amounts using the amount of the
33 median AVPP of all school districts as the point of beginning. The
34 schedule of dollar amounts shall range upward in equal \$1,000 intervals
35 from the point of beginning to and including an amount that is equal to the
36 amount of the AVPP of the school district with the highest AVPP of all
37 school districts and shall range downward in equal \$1,000 intervals from
38 the point of beginning to and including an amount that is equal to the
39 amount of the AVPP of the school district with the lowest AVPP of all
40 school districts;

41 (4) determine a state aid percentage factor for each school district by
42 assigning a state aid computation percentage to the amount of the median
43 AVPP shown on the schedule, decreasing the state aid computation

1 percentage assigned to the amount of the median AVPP by one percentage
2 point for each \$1,000 interval above the amount of the median AVPP, and
3 increasing the state aid computation percentage assigned to the amount of
4 the median AVPP by one percentage point for each \$1,000 interval below
5 the amount of the median AVPP. Except as provided by section 51, and
6 amendments thereto, the state aid percentage factor of a school district is
7 the percentage assigned to the schedule amount that is equal to the amount
8 of the AVPP of the school district, except that the state aid percentage
9 factor of a school district shall not exceed 100%. The state aid
10 computation percentage is 25%;

11 (5) determine the amount levied by each school district pursuant to
12 K.S.A. 72-8801 et seq., and amendments thereto;

13 (6) multiply the amount computed under subsection (b)(5), but not to
14 exceed 8 mills, by the applicable state aid percentage factor. The product is
15 the amount of payment the school district is entitled to receive from the
16 school district capital outlay state aid fund in the school year.

17 (c) The state board shall certify to the director of accounts and reports
18 the entitlements of school districts determined under the provisions of
19 subsection (b), and an amount equal thereto shall be transferred by the
20 director from the state general fund to the school district capital outlay
21 state aid fund for distribution to school districts. All transfers made in
22 accordance with the provisions of this subsection shall be considered to be
23 demand transfers from the state general fund.

24 (d) Payments from the school district capital outlay state aid fund
25 shall be distributed to school districts at times determined by the state
26 board of education. The state board of education shall certify to the
27 director of accounts and reports the amount due each school district
28 entitled to payment from the fund, and the director of accounts and reports
29 shall draw a warrant on the state treasurer payable to the treasurer of the
30 school district. Upon receipt of the warrant, the treasurer of the school
31 district shall credit the amount thereof to the capital outlay fund of the
32 school district to be used for the purposes of such fund.

33 (e) Amounts transferred to the capital outlay fund of a school district
34 as authorized by section 15, and amendments thereto, shall not be included
35 in the computation when determining the amount of state aid to which a
36 district is entitled to receive under this section.

37 New Sec. 51. (a) Unless the context otherwise requires, as used in
38 this section, "district" means: (1) Any school district formed by
39 consolidation in accordance with article 87 of chapter 72 of the Kansas
40 Statutes Annotated, and amendments thereto; or (2) any school district
41 formed by disorganization and attachment in accordance with article 73 of
42 chapter 72 of the Kansas Statutes Annotated, and amendments thereto, if
43 all the territory that comprised a disorganized district is attached to a single

1 district.

2 (b) (1) For the purposes of determining the amount of the payment
3 from the school district capital outlay state aid fund under section 50, and
4 amendments thereto, the state board shall determine the state aid
5 percentage factor of each of the former school districts of which the
6 district is composed for the school year prior to the effectuation of the
7 consolidation or attachment.

8 (2) For the school year in which the consolidation or attachment is
9 effectuated and the next two succeeding school years, the state aid
10 percentage factor of the district shall be the highest state aid percentage
11 factor determined under paragraph (1).

12 (c) The provisions of this section shall apply to school districts that
13 have consolidated or disorganized on and after July 1, 2004.

14 Sec. 52. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as
15 follows: 10-1116a. The limitations on expenditures imposed under the
16 cash-basis law shall not apply to:

17 (a) Expenditures in excess of current revenues made for municipally
18 owned and operated utilities out of the fund of such utilities caused by, or
19 resulting from the meeting of, extraordinary emergencies including
20 drought emergencies. In such cases expenditures in excess of current
21 revenues may be made by declaring an extraordinary emergency by
22 resolution adopted by the governing body and such resolution shall be
23 published at least once in a newspaper of general circulation in such city.
24 Thereupon, such governing body may issue interest bearing no-fund
25 warrants on such utility fund in an amount, including outstanding
26 previously issued no-fund warrants, not to exceed 25% of the revenues
27 from sales of service of such utility for the preceding year. Such warrants
28 shall be redeemed within three years from date of issuance and shall bear
29 interest at a rate of not to exceed the maximum rate of interest prescribed
30 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a
31 drought emergency, the governing body may issue such warrants for water
32 system improvement purposes in an amount not to exceed 50% of the
33 revenue received from the sale of water for the preceding year. Such
34 warrants shall be redeemed within five years from the date of issuance and
35 shall bear interest at a rate not to exceed the maximum rate of interest
36 prescribed by K.S.A. 10-1009, and amendments thereto.

37 (b) Expenditures in any month by school districts which are in excess
38 of current revenues if the deficit or shortage in revenues is caused by, or a
39 result of, the payment of state aid after the date prescribed for the payment
40 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466~~ section
41 7, and amendments thereto.

42 Sec. 53. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as
43 follows: 12-1677. (a) Except as otherwise required by state or federal law,

1 all moneys earned and collected from investments by counties, area
2 vocational-technical schools and quasi-municipal corporations authorized
3 in this act shall be credited to the general fund of such county, area
4 vocational-technical school or quasi-municipal corporation by the treasurer
5 thereof, and all moneys earned and collected from investments by school
6 districts authorized in this act shall be credited ~~to the general fund of the~~
7 ~~school district~~ *in accordance with the provisions of section 41, and*
8 *amendments thereto.*

9 (b) The treasurer of each county, school district, area vocational-
10 technical school or quasi-municipal corporation shall maintain a complete
11 record of all investments authorized in this act and shall make a quarterly
12 written report of such record to the governing body of such county, school
13 district, area vocational-technical school or quasi-municipal corporation.

14 Sec. 54. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as
15 follows: 12-1770a. As used in this act, the following words and phrases
16 shall have the following meanings unless a different meaning clearly
17 appears from the content:

18 (a) "Auto race track facility" means: (1) An auto race track facility
19 and facilities directly related and necessary to the operation of an auto race
20 track facility, including, but not limited to, grandstands, suites and viewing
21 areas, concessions, souvenir facilities, catering facilities, visitor and retail
22 centers, signage and temporary hospitality facilities, but excluding (2)
23 hotels, motels, restaurants and retail facilities, not directly related to or
24 necessary to the operation of such facility.

25 (b) "Base year assessed valuation" means the assessed valuation of all
26 real property within the boundaries of a redevelopment district on the date
27 the redevelopment district was established.

28 (c) "Blighted area" means an area which:

29 (1) Because of the presence of a majority of the following factors,
30 substantially impairs or arrests the development and growth of the
31 municipality or constitutes an economic or social liability or is a menace to
32 the public health, safety, morals or welfare in its present condition and use:

- 33 (A) A substantial number of deteriorated or deteriorating structures;
34 (B) predominance of defective or inadequate street layout;
35 (C) unsanitary or unsafe conditions;
36 (D) deterioration of site improvements;
37 (E) tax or special assessment delinquency exceeding the fair market
38 value of the real property;

39 (F) defective or unusual conditions of title including, but not limited
40 to, cloudy or defective titles, multiple or unknown ownership interests to
41 the property;

42 (G) improper subdivision or obsolete platting or land uses;

43 (H) the existence of conditions which endanger life or property by

1 fire or other causes; or

2 (1) conditions which create economic obsolescence;

3 (2) has been identified by any state or federal environmental agency
4 as being environmentally contaminated to an extent that requires a
5 remedial investigation; feasibility study and remediation or other similar
6 state or federal action;

7 (3) a majority of the property is a 100-year floodplain area; or

8 (4) previously was found by resolution of the governing body to be a
9 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments
10 thereto.

11 (d) "Conservation area" means any improved area comprising 15% or
12 less of the land area within the corporate limits of a city in which 50% or
13 more of the structures in the area have an age of 35 years or more, which
14 area is not yet blighted, but may become a blighted area due to the
15 existence of a combination of two or more of the following factors:

16 (1) Dilapidation, obsolescence or deterioration of the structures;

17 (2) illegal use of individual structures;

18 (3) the presence of structures below minimum code standards;

19 (4) building abandonment;

20 (5) excessive vacancies;

21 (6) overcrowding of structures and community facilities; or

22 (7) inadequate utilities and infrastructure.

23 (e) "De minimus" means an amount less than 15% of the land area
24 within a redevelopment district.

25 (f) "Developer" means any person, firm, corporation, partnership or
26 limited liability company, other than a city and other than an agency,
27 political subdivision or instrumentality of the state or a county when
28 relating to a bioscience development district.

29 (g) "Eligible area" means a blighted area, conservation area,
30 enterprise zone, intermodal transportation area, major tourism area or a
31 major commercial entertainment and tourism area, bioscience
32 development area or a building or buildings which are 65 years of age or
33 older and any contiguous vacant or condemned lots.

34 (h) "Enterprise zone" means an area within a city that was designated
35 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107
36 through 12-17,113, and amendments thereto, prior to its repeal and the
37 conservation, development or redevelopment of the area is necessary to
38 promote the general and economic welfare of such city.

39 (i) "Environmental increment" means the increment determined
40 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

41 (j) "Environmentally contaminated area" means an area of land
42 having contaminated groundwater or soil which is deemed
43 environmentally contaminated by the department of health and

1 environment or the United States environmental protection agency.

2 (k) (1) "Feasibility study" means:

3 (A) A study which shows whether a redevelopment project's or
4 bioscience development project's benefits and tax increment revenue and
5 other available revenues under K.S.A. 12-1774(a)(1), and amendments
6 thereto, are expected to exceed or be sufficient to pay for the
7 redevelopment or bioscience development project costs; and

8 (B) the effect, if any, the redevelopment project costs or bioscience
9 development project will have on any outstanding special obligation bonds
10 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and
11 amendments thereto.

12 (2) For a redevelopment project or bioscience project financed by
13 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and
14 amendments thereto, the feasibility study must also include:

15 (A) A statement of how the taxes obtained from the project will
16 contribute significantly to the economic development of the jurisdiction in
17 which the project is located;

18 (B) a statement concerning whether a portion of the local sales and
19 use taxes are pledged to other uses and are unavailable as revenue for the
20 redevelopment project. If a portion of local sales and use taxes is so
21 committed, the applicant shall describe the following:

22 (i) The percentage of sales and use taxes collected that are so
23 committed; and

24 (ii) the date or dates on which the local sales and use taxes pledged to
25 other uses can be pledged for repayment of special obligation bonds;

26 (C) an anticipated principal and interest payment schedule on the
27 bonds;

28 (D) following approval of the redevelopment plan, the feasibility
29 study shall be supplemented to include a copy of the minutes of the
30 governing body meeting or meetings of any city whose bonding authority
31 will be utilized in the project, evidencing that a redevelopment plan has
32 been created, discussed, and adopted by the city in a regularly scheduled
33 open public meeting; and

34 (E) the failure to include all information enumerated in this
35 subsection in the feasibility study for a redevelopment or bioscience
36 project shall not affect the validity of bonds issued pursuant to this act.

37 (l) "Major tourism area" means an area for which the secretary has
38 made a finding the capital improvements costing not less than
39 \$100,000,000 will be built in the state to construct an auto race track
40 facility.

41 (m) "Real property taxes" means all taxes levied on an ad valorem
42 basis upon land and improvements thereon, except that when relating to a
43 bioscience development district, as defined in this section, "real property

1 taxes" does not include property taxes levied for schools, pursuant to
2 K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto.

3 (n) "Redevelopment project area" means an area designated by a city
4 within a redevelopment district or, if the redevelopment district is
5 established for an intermodal transportation area, an area designated by a
6 city within or outside of the redevelopment district.

7 (o) "Redevelopment project costs" means: (1) Those costs necessary
8 to implement a redevelopment project plan or a bioscience development
9 project plan, including costs incurred for:

10 (A) Acquisition of property within the redevelopment project area;

11 (B) payment of relocation assistance pursuant to a relocation
12 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;

13 (C) site preparation including utility relocations;

14 (D) sanitary and storm sewers and lift stations;

15 (E) drainage conduits, channels, levees and river walk canal facilities;

16 (F) street grading, paving, graveling, macadamizing, curbing,
17 guttering and surfacing;

18 (G) street light fixtures, connection and facilities;

19 (H) underground gas, water, heating and electrical services and
20 connections located within the public right-of-way;

21 (I) sidewalks and pedestrian underpasses or overpasses;

22 (J) drives and driveway approaches located within the public right-of-
23 way;

24 (K) water mains and extensions;

25 (L) plazas and arcades;

26 (M) major multi-sport athletic complex;

27 (N) museum facility;

28 (O) parking facilities including multilevel parking facilities;

29 (P) landscaping and plantings, fountains, shelters, benches,
30 sculptures, lighting, decorations and similar amenities;

31 (Q) related expenses to redevelop and finance the redevelopment
32 project;

33 (R) for purposes of an incubator project, such costs shall also include
34 wet lab equipment including hoods, lab tables, heavy water equipment and
35 all such other equipment found to be necessary or appropriate for a
36 commercial incubator wet lab facility by the city in its resolution
37 establishing such redevelopment district or a bioscience development
38 district;

39 (S) costs for the acquisition of land for and the construction and
40 installation of publicly-owned infrastructure improvements which serve an
41 intermodal transportation area and are located outside of a redevelopment
42 district; and

43 (T) costs for infrastructure located outside the redevelopment district

1 but contiguous to any portion of the redevelopment district and such
2 infrastructure is necessary for the implementation of the redevelopment
3 plan as determined by the city.

4 (2) Redevelopment project costs shall not include: (A) Costs incurred
5 in connection with the construction of buildings or other structures to be
6 owned by or leased to a developer, however, the "redevelopment project
7 costs" shall include costs incurred in connection with the construction of
8 buildings or other structures to be owned or leased to a developer which
9 includes an auto race track facility or a multilevel parking facility.

10 (B) In addition, for a redevelopment project financed with special
11 obligation bonds payable from the revenues described in K.S.A. 12-
12 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall
13 not include:

14 (i) Fees and commissions paid to developers, real estate agents,
15 financial advisors or any other consultants who represent the developers or
16 any other businesses considering locating in or located in a redevelopment
17 district;

18 (ii) salaries for local government employees;

19 (iii) moving expenses for employees of the businesses locating within
20 the redevelopment district;

21 (iv) property taxes for businesses that locate in the redevelopment
22 district;

23 (v) lobbying costs;

24 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-
25 1742, and amendments thereto;

26 (vii) any personal property, as defined in K.S.A. 79-102, and
27 amendments thereto; and

28 (viii) travel, entertainment and hospitality.

29 (p) "Redevelopment district" means the specific area declared to be
30 an eligible area in which the city may develop one or more redevelopment
31 projects.

32 (q) "Redevelopment district plan" or "district plan" means the
33 preliminary plan that identifies all of the proposed redevelopment project
34 areas and identifies in a general manner all of the buildings, facilities and
35 improvements in each that are proposed to be constructed or improved in
36 each redevelopment project area or, if the redevelopment district is
37 established for an intermodal transportation area, in or outside of the
38 redevelopment district.

39 (r) "Redevelopment project" means the approved project to
40 implement a project plan for the development of the established
41 redevelopment district.

42 (s) "Redevelopment project plan" means the plan adopted by a
43 municipality for the development of a redevelopment project or projects

1 which conforms with K.S.A. 12-1772, and amendments thereto, in a
2 redevelopment district.

3 (t) "Substantial change" means, as applicable, a change wherein the
4 proposed plan or plans differ substantially from the intended purpose for
5 which the district plan or project plan was approved.

6 (u) "Tax increment" means that amount of real property taxes
7 collected from real property located within the redevelopment district that
8 is in excess of the amount of real property taxes which is collected from
9 the base year assessed valuation.

10 (v) "Taxing subdivision" means the county, city, unified school
11 district and any other taxing subdivision levying real property taxes, the
12 territory or jurisdiction of which includes any currently existing or
13 subsequently created redevelopment district including a bioscience
14 development district.

15 (w) "River walk canal facilities" means a canal and related water
16 features which flows through a redevelopment district and facilities related
17 or contiguous thereto, including, but not limited to pedestrian walkways
18 and promenades, landscaping and parking facilities.

19 (x) "Major commercial entertainment and tourism area" may include,
20 but not be limited to, a major multi-sport athletic complex.

21 (y) "Major multi-sport athletic complex" means an athletic complex
22 that is utilized for the training of athletes, the practice of athletic teams, the
23 playing of athletic games or the hosting of events. Such project may
24 include playing fields, parking lots and other developments including
25 grandstands, suites and viewing areas, concessions, souvenir facilities,
26 catering facilities, visitor centers, signage and temporary hospitality
27 facilities, but excluding hotels, motels, restaurants and retail facilities, not
28 directly related to or necessary to the operation of such facility.

29 (z) "Bioscience" means the use of compositions, methods and
30 organisms in cellular and molecular research, development and
31 manufacturing processes for such diverse areas as pharmaceuticals,
32 medical therapeutics, medical diagnostics, medical devices, medical
33 instruments, biochemistry, microbiology, veterinary medicine, plant
34 biology, agriculture, industrial environmental and homeland security
35 applications of bioscience and future developments in the biosciences.
36 Bioscience includes biotechnology and life sciences.

37 (aa) "Bioscience development area" means an area that:

38 (1) Is or shall be owned, operated, or leased by, or otherwise under
39 the control of the Kansas bioscience authority;

40 (2) is or shall be used and maintained by a bioscience company; or

41 (3) includes a bioscience facility.

42 (bb) "Bioscience development district" means the specific area,
43 created under K.S.A. 12-1771, and amendments thereto, where one or

1 more bioscience development projects may be undertaken.

2 (cc) "Bioscience development project" means an approved project to
3 implement a project plan in a bioscience development district.

4 (dd) "Bioscience development project plan" means the plan adopted
5 by the authority for a bioscience development project pursuant to K.S.A.
6 12-1772, and amendments thereto, in a bioscience development district.

7 (ee) "Bioscience facility" means real property and all improvements
8 thereof used to conduct bioscience research, including, without limitation,
9 laboratory space, incubator space, office space and any and all facilities
10 directly related and necessary to the operation of a bioscience facility.

11 (ff) "Bioscience project area" means an area designated by the
12 authority within a bioscience development district.

13 (gg) "Biotechnology" means those fields focusing on technological
14 developments in such areas as molecular biology, genetic engineering,
15 genomics, proteomics, physiomics, nanotechnology, biodefense,
16 biocomputing, bioinformatics and future developments associated with
17 biotechnology.

18 (hh) "Board" means the board of directors of the Kansas bioscience
19 authority.

20 (ii) "Life sciences" means the areas of medical sciences,
21 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,
22 ecology, toxicology, organic chemistry, physical chemistry, physiology and
23 any future advances associated with life sciences.

24 (jj) "Revenue increase" means that amount of real property taxes
25 collected from real property located within the bioscience development
26 district that is in excess of the amount of real property taxes which is
27 collected from the base year assessed valuation.

28 (kk) "Taxpayer" means a person, corporation, limited liability
29 company, S corporation, partnership, registered limited liability
30 partnership, foundation, association, nonprofit entity, sole proprietorship,
31 business trust, group or other entity that is subject to the Kansas income
32 tax act, K.S.A. 79-3201 et seq., and amendments thereto.

33 (ll) "Floodplain increment" means the increment determined pursuant
34 to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.

35 (mm) "100-year floodplain area" means an area of land existing in a
36 100-year floodplain as determined by either an engineering study of a
37 Kansas certified engineer or by the United States federal emergency
38 management agency.

39 (nn) "Major motorsports complex" means a complex in Shawnee
40 county that is utilized for the hosting of competitions involving motor
41 vehicles, including, but not limited to, automobiles, motorcycles or other
42 self-propelled vehicles other than a motorized bicycle or motorized
43 wheelchair. Such project may include racetracks, all facilities directly

1 related and necessary to the operation of a motorsports complex,
2 including, but not limited to, parking lots, grandstands, suites and viewing
3 areas, concessions, souvenir facilities, catering facilities, visitor and retail
4 centers, signage and temporary hospitality facilities, but excluding hotels,
5 motels, restaurants and retail facilities not directly related to or necessary
6 to the operation of such facility.

7 (oo) "Intermodal transportation area" means an area of not less than
8 800 acres to be developed primarily to handle the transfer, storage and
9 distribution of freight through railway and trucking operations.

10 (pp) "Museum facility" means a separate newly-constructed museum
11 building and facilities directly related and necessary to the operation
12 thereof, including gift shops and restaurant facilities, but excluding hotels,
13 motels, restaurants and retail facilities not directly related to or necessary
14 to the operation of such facility. The museum facility shall be owned by
15 the state, a city, county, other political subdivision of the state or a non-
16 profit corporation, shall be managed by the state, a city, county, other
17 political subdivision of the state or a non-profit corporation and may not
18 be leased to any developer and shall not be located within any retail or
19 commercial building.

20 Sec. 55. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as
21 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of
22 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has
23 established a redevelopment district prior to July 1, 1996, shall certify to
24 the director of accounts and reports the amount equal to the amount of
25 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~
26 ~~Supp. 72-6470~~ section 14, and amendments thereto, within such
27 redevelopment district. Prior to February 1, 1997, and annually on that
28 date thereafter, the governing body of each such city shall certify to the
29 director of accounts and reports an amount equal to the amount by which
30 revenues realized from such ad valorem taxes imposed in such
31 redevelopment district are estimated to be reduced for the ensuing calendar
32 year due to legislative changes in the statewide school finance formula.
33 Prior to March 1 of each year, the director of accounts and reports shall
34 certify to the state treasurer each amount certified by the governing bodies
35 of cities under this section for the ensuing calendar year and shall transfer
36 from the state general fund to the city tax increment financing revenue
37 fund the aggregate of all amounts so certified. Prior to April 15 of each
38 year, the state treasurer shall pay from the city tax increment financing
39 revenue fund to each city certifying an amount to the director of accounts
40 and reports under this section for the ensuing calendar year the amount so
41 certified.

42 (b) There is hereby created the tax increment financing revenue
43 replacement fund which shall be administered by the state treasurer. All

1 expenditures from the tax increment financing revenue replacement fund
2 shall be made in accordance with appropriations acts upon warrants of the
3 director of accounts and reports issued pursuant to vouchers approved by
4 the state treasurer or a person or persons designated by the state treasurer.

5 Sec. 56. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
6 follows: 12-1776a. (a) As used in this section:

7 (1) "School district" means any school district in which is located a
8 redevelopment district for which bonds have been issued pursuant to
9 K.S.A. 12-1770 et seq., and amendments thereto.

10 (2) "Base year assessed valuation," "redevelopment district" and
11 "redevelopment project" shall have the meanings ascribed thereto by
12 K.S.A. 12-1770a, and amendments thereto.

13 (b) No later than November 1 of each year, the county clerk of each
14 county shall certify to the state board of education the assessed valuation
15 of any school district located within a redevelopment district in such
16 county. For the purposes of this section and for determining the amount of
17 state aid for school districts under K.S.A. 75-2319, and amendments
18 thereto, *and section 17, and amendments thereto*, the base year assessed
19 valuation of property within the boundaries of a redevelopment district
20 shall be used when determining the assessed valuation of a school district
21 until the bonds issued pursuant to K.S.A. 12-1770 et seq., and amendments
22 thereto, to finance redevelopment projects in the redevelopment district
23 have been retired.

24 Sec. 57. K.S.A. 2016 Supp. 72-978 is hereby amended to read as
25 follows: 72-978. (a) Each year, the state board of education shall determine
26 the amount of state aid for the provision of special education and related
27 services each school district shall receive for the ensuing school year. The
28 amount of such state aid shall be computed by the state board as provided
29 in this section. The state board shall:

30 (1) Determine the total amount of general fund and local option
31 budgets of all school districts;

32 (2) subtract from the amount determined in subsection (a)(1) the total
33 amount attributable to assignment of transportation weighting, program
34 weighting, special education weighting and at-risk pupil weighting, ~~as~~
35 ~~those weightings were calculated under the school district finance and~~
36 ~~quality performance act, prior to its repeal,~~ to enrollment of all school
37 districts;

38 (3) divide the remainder obtained in subsection (a)(2) by the total
39 number of full-time equivalent pupils enrolled in all school districts on
40 September 20;

41 (4) determine the total full-time equivalent enrollment of exceptional
42 children receiving special education and related services provided by all
43 school districts;

1 (5) multiply the amount of the quotient obtained in subsection (a)(3)
2 by the full-time equivalent enrollment determined in subsection (a)(4);

3 (6) determine the amount of federal funds received by all school
4 districts for the provision of special education and related services;

5 (7) determine the amount of revenue received by all school districts
6 rendered under contracts with the state institutions for the provisions of
7 special education and related services by the state institution;

8 (8) add the amounts determined under subsections (a)(6) and (a)(7) to
9 the amount of the product obtained under subsection (a)(5);

10 (9) determine the total amount of expenditures of all school districts
11 for the provision of special education and related services;

12 (10) subtract the amount of the sum obtained under subsection (a)(8)
13 from the amount determined under subsection (a)(9); and

14 (11) multiply the remainder obtained under subsection (a)(10) by
15 92%.

16 The computed amount is the amount of state aid for the provision of
17 special education and related services aid a school district is entitled to
18 receive for the ensuing school year.

19 (b) Each school district shall be entitled to receive:

20 (1) Reimbursement for actual travel allowances paid to special
21 teachers at not to exceed the rate specified under K.S.A. 75-3203, and
22 amendments thereto, for each mile actually traveled during the school year
23 in connection with duties in providing special education or related services
24 for exceptional children; such reimbursement shall be computed by the
25 state board by ascertaining the actual travel allowances paid to special
26 teachers by the school district for the school year and shall be in an
27 amount equal to 80% of such actual travel allowances;

28 (2) reimbursement in an amount equal to 80% of the actual travel
29 expenses incurred for providing transportation for exceptional children to
30 special education or related services. *Such reimbursement shall not be*
31 *paid if such child has been counted in determining the transportation*
32 *weighting of the school district under the provisions of the school district*
33 *finance and quality performance act of 2017;*

34 (3) reimbursement in an amount equal to 80% of the actual expenses
35 incurred for the maintenance of an exceptional child at some place other
36 than the residence of such child for the purpose of providing special
37 education or related services; such reimbursement shall not exceed \$600
38 per exceptional child per school year; and

39 (4) (A) except for those school districts entitled to receive
40 reimbursement under subsection (c) or (d), after subtracting the amounts of
41 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total
42 amount appropriated for special education and related services under this
43 act, an amount which bears the same proportion to the remaining amount

1 appropriated as the number of full-time equivalent special teachers who
2 are qualified to provide special education or related services to exceptional
3 children and are employed by the school district for approved special
4 education or related services bears to the total number of such qualified
5 full-time equivalent special teachers employed by all school districts for
6 approved special education or related services.

7 (B) Each special teacher who is qualified to assist in the provision of
8 special education or related services to exceptional children shall be
9 counted as $\frac{2}{5}$ full-time equivalent special teacher who is qualified to
10 provide special education or related services to exceptional children.

11 (C) For purposes of this subsection (b)(4), a special teacher, qualified
12 to assist in the provision of special education and related services to
13 exceptional children, who assists in providing special education and
14 related services to exceptional children at either the state school for the
15 blind or the state school for the deaf and whose services are paid for by a
16 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments
17 thereto, shall be considered a special teacher of such school district.

18 (c) Each school district which has paid amounts for the provision of
19 special education and related services under an interlocal agreement shall
20 be entitled to receive reimbursement under subsection (b)(4). The amount
21 of such reimbursement for the district shall be the amount which bears the
22 same relation to the aggregate amount available for reimbursement for the
23 provision of special education and related services under the interlocal
24 agreement, as the amount paid by such district in the current school year
25 for provision of such special education and related services bears to the
26 aggregate of all amounts paid by all school districts in the current school
27 year who have entered into such interlocal agreement for provision of such
28 special education and related services.

29 (d) Each contracting school district which has paid amounts for the
30 provision of special education and related services as a member of a
31 cooperative shall be entitled to receive reimbursement under subsection (b)
32 (4). The amount of such reimbursement for the district shall be the amount
33 which bears the same relation to the aggregate amount available for
34 reimbursement for the provision of special education and related services
35 by the cooperative, as the amount paid by such district in the current
36 school year for provision of such special education and related services
37 bears to the aggregate of all amounts paid by all contracting school
38 districts in the current school year by such cooperative for provision of
39 such special education and related services.

40 (e) No time spent by a special teacher in connection with duties
41 performed under a contract entered into by the Kansas juvenile
42 correctional complex, the Atchison juvenile correctional facility, the
43 Larned juvenile correctional facility, or the Topeka juvenile correctional

1 facility and a school district for the provision of special education services
2 by such state institution shall be counted in making computations under
3 this section.

4 ~~(f) There is hereby established in every school district a fund which~~
5 ~~shall be called the special education fund, which fund shall consist of all~~
6 ~~moneys deposited therein or transferred thereto according to law.~~
7 ~~Notwithstanding any other provision of law, all moneys received by the~~
8 ~~school district from whatever source for special education shall be credited~~
9 ~~to the special education fund established by this section, except that: (1)~~
10 ~~Amounts of payments received by a school district under K.S.A. 72-979,~~
11 ~~and amendments thereto, and amounts of grants, if any, received by a~~
12 ~~school district under K.S.A. 72-983, and amendments thereto, shall be~~
13 ~~deposited in the general fund of the district and transferred to the special~~
14 ~~education fund; and (2) moneys received by a school district pursuant to~~
15 ~~lawful agreements made under K.S.A. 72-968, and amendments thereto,~~
16 ~~shall be credited to the special education fund established under the~~
17 ~~agreements.~~

18 ~~(g) The expenses of a school district directly attributable to special~~
19 ~~education shall be paid from the special education fund and from special~~
20 ~~funds established under K.S.A. 72-968, and amendments thereto.~~

21 ~~(h) Obligations of a school district pursuant to lawful agreements~~
22 ~~made under K.S.A. 72-968, and amendments thereto, shall be paid from~~
23 ~~the special education fund established by this section.~~

24 Sec. 58. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as
25 follows: 72-1046b. (a) As used in this section:

26 (1) "School district" means a school district organized and operating
27 under the laws of this state and no part of which is located in Johnson
28 county, Sedgwick county, Shawnee county or Wyandotte county.

29 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and
30 in attendance at a school located in a district in which such pupil is not a
31 resident and who: (A) Lives $2\frac{1}{2}$ or more miles from the attendance center
32 the pupil would attend in the district in which the pupil resides and is not a
33 resident of Johnson county, Sedgwick county, Shawnee county or
34 Wyandotte county; or (B) is a member of the family of a pupil meeting the
35 condition prescribed in ~~subpart~~ *subparagraph* (A).

36 (3) "Member of the family" means a brother or sister of the whole or
37 half blood or by adoption, a stepbrother or stepsister, and a foster brother
38 or foster sister.

39 (b) The board of education of any school district may allow any pupil
40 who is not a resident of the district to enroll in and attend school in such
41 district. The board of education of such district may furnish or provide
42 transportation to any non-resident pupil who is enrolled in and attending
43 school in the district pursuant to this section. If the district agrees to

1 furnish or provide transportation to a non-resident pupil, such
2 transportation shall be furnished or provided until the end of the school
3 year. Prior to providing or furnishing transportation to a non-resident
4 pupil, the district shall notify the board of education of the district in
5 which the pupil resides that transportation will be furnished or provided.

6 (c) Pupils attending school in a school district in which the pupil does
7 not reside pursuant to this section shall be counted as regularly enrolled in
8 and attending school in the district where the pupil is enrolled for the
9 purpose of computations ~~under the classroom learning assuring student~~
10 ~~success act, K.S.A. 2016 Supp. 72-6463 et seq., and amendments thereto,~~
11 *except computation of transportation weighting under the school district*
12 *finance and quality performance act of 2017,* and for the purposes of the
13 statutory provisions contained in article 83 of chapter 72 of the Kansas
14 Statutes Annotated, and amendments thereto. Such non-resident pupil shall
15 not be charged for the costs of attendance at school.

16 ~~(d) Any pupil who was not a resident of the district in school year~~
17 ~~2014-2015, but was allowed to enroll in and attend school in such district~~
18 ~~in school year 2014-2015 by the board of education of such district and~~
19 ~~any member of the family of such pupil regardless of whether such family~~
20 ~~member enrolled in and attended school in such district in school year~~
21 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~
22 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~
23 ~~pupil or family member of such pupil is a resident of the district in either~~
24 ~~school year, provided such pupil or such pupil's family member is in~~
25 ~~compliance with any attendance and behavior policies of the district. If~~
26 ~~transportation was furnished or provided to such pupil in school year~~
27 ~~2014-2015 by the district, then transportation shall be furnished or~~
28 ~~provided by the district to such pupil and any family member of such pupil~~
29 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~
30 ~~such pupil's residence and no requirement for the district to furnish~~
31 ~~transportation to any additional residence.~~

32 Sec. 59. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as
33 follows: 72-1398. (a) The national board for professional teaching
34 standards certification incentive program is hereby established for the
35 purpose of rewarding teachers who have attained certification from the
36 national board. Teachers who have attained certification from the national
37 board shall be issued a master teacher's license by the state board of
38 education. A master teacher's license shall be valid for 10 years and
39 renewable thereafter every 10 years through compliance with continuing
40 education and professional development requirements prescribed by the
41 state board. Teachers who have attained certification from the national
42 board and who are employed by a school district shall be paid an incentive
43 bonus in the amount of \$1,000 each school year that the teacher remains

1 employed by a school district and retains a valid master teacher's license.

2 (b) The board of education of each school district employing one or
3 more national board certified teachers shall pay the incentive bonus to
4 each such teacher in each school year that the teacher retains eligibility for
5 such payment. Each board of education which has made payments of
6 incentive bonuses to national board certified teachers under this subsection
7 may file an application with the state board of education for state aid and
8 shall certify to the state board the amount of such payments. The
9 application and certification shall be on a form prescribed and furnished by
10 the state board, shall contain such information as the state board shall
11 require and shall be filed at the time specified by the state board.

12 (c) In each school year, each school district employing one or more
13 national board certified teachers is entitled to receive from appropriations
14 for the national board for professional teaching standards certification
15 incentive program an amount which is equal to the amount certified to the
16 state board of education in accordance with the provisions of subsection
17 (b). The state board shall certify to the director of accounts and reports the
18 amount due each school district. The director of accounts and reports shall
19 draw warrants on the state treasurer payable to the treasurer of each school
20 district entitled to payment under this section upon vouchers approved by
21 the state board.

22 (d) Moneys received by a board of education under this section shall
23 be deposited in the general fund of the school district and shall be
24 considered reimbursements to the district for the purpose of the ~~classroom~~
25 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463 school~~
26 *district finance and quality performance act of 2017, section 3 et seq.*, and
27 amendments thereto, and may be expended whether the same have been
28 budgeted or not.

29 (e) The state board of education is authorized to provide scholarships
30 of \$1,100 each to teachers who are accepted to participate in the national
31 board for professional teaching standards program for initial certification.
32 The state board of education is authorized to provide scholarships of \$500
33 each to teachers who are accepted to participate in the national board for
34 professional teaching standards program for renewal of certification. Any
35 teacher who has been accepted to participate in such program may file an
36 application with the state board of education for a scholarship. The
37 application shall be on a form prescribed and furnished by the state board,
38 shall contain such information as the state board shall require and shall be
39 filed at the time specified by the state board.

40 (f) As used in this section, the term "school district" means any
41 school district organized and operating under the laws of this state.

42 Sec. 60. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as
43 follows: 72-1414. (a) On or before January 1, 2001, the state board of

1 education shall adopt rules and regulations for the administration of
2 mentor teacher programs and shall:

3 (1) Establish standards and criteria for evaluating and approving
4 mentor teacher programs and applications of school districts for grants;

5 (2) evaluate and approve mentor teacher programs;

6 (3) establish criteria for determination of exemplary teaching ability
7 of certificated teachers for qualification as mentor teachers;

8 (4) prescribe guidelines for the selection by boards of education of
9 mentor teachers and for the provision by boards of education of training
10 programs for mentor teachers;

11 (5) be responsible for awarding grants to school districts; and

12 (6) request of and receive from each school district which is awarded
13 a grant for maintenance of a mentor teacher program reports containing
14 information with regard to the effectiveness of the program.

15 (b) Subject to the availability of appropriations for mentor teacher
16 programs maintained by school districts, and within the limits of any such
17 appropriations, the state board of education shall determine the amount of
18 grants to be awarded school districts by multiplying an amount not to
19 exceed \$1,000 by the number of mentor teachers participating in the
20 program maintained by a school district. The product is the amount of the
21 grant to be awarded to the district. Upon receipt of a grant of state moneys
22 for maintenance of a mentor teacher program, the amount of the grant shall
23 be deposited in the general fund of the school district. Moneys deposited in
24 the general fund of a school district under this subsection shall be
25 considered reimbursements for the purpose of the ~~classroom learning~~
26 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *school district*
27 *finance and quality performance act of 2017, section 3 et seq.*, and
28 amendments thereto. The full amount of the grant shall be allocated among
29 the mentor teachers employed by the school district so as to provide a
30 mentor teacher with an annual stipend in an amount not to exceed \$1,000.
31 Such annual stipend shall be over and above the regular salary to which
32 the mentor teacher is entitled for the school year.

33 Sec. 61. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as
34 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,
35 and amendments thereto, the board of education of any school district may
36 apply to the state board for a grant of authority to operate such school
37 district as a public innovative district. The application shall be submitted in
38 the form and manner prescribed by the state board, and shall be submitted
39 not later than December 1 of the school year preceding the school year in
40 which the school district intends to operate as a public innovative district.

41 (b) The application shall include the following:

42 (1) A description of the educational programs of the public innovative
43 district;

1 (2) a description of the interest and support for partnerships between
2 the public innovative district, parents and the community;

3 (3) the specific goals and the measurable pupil outcomes to be
4 obtained by operating as a public innovative district; and

5 (4) an explanation of how pupil performance in achieving the
6 specified outcomes will be measured, evaluated and reported.

7 (c) (1) Within 90 days from the date such application is submitted, the
8 state board shall review the application to determine compliance with this
9 section, and shall approve or deny such application on or before the
10 conclusion of such 90-day period. If the application is determined to be in
11 compliance with this section, the state board shall approve such
12 application and grant the school district authority to operate as a public
13 innovative district. Notification of such approval shall be sent to the board
14 of education of such school district within 10 days after such decision.

15 (2) If the state board determines such application is not in compliance
16 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments
17 thereto, the state board shall deny such application. Notification of such
18 denial shall be sent to the board of education of such school district within
19 10 days after such decision and shall specify the reasons therefor. Within
20 30 days from the date such notification is sent, the board of education of
21 such school district may submit a request to the state board for
22 reconsideration of the application and may submit an amended application
23 with such request. The state board shall act on the request for
24 reconsideration within 60 days of receipt of such request.

25 (d) A public innovative district shall:

26 (1) Not charge tuition for any of the pupils residing within the public
27 innovative district;

28 (2) participate in all Kansas math and reading assessments applicable
29 to such public innovative district, or an alternative assessment program for
30 measuring student progress as determined by the board of education;

31 (3) abide by all financial and auditing requirements that are
32 applicable to school districts, except that a public innovative district may
33 use generally accepted accounting principles;

34 (4) comply with all applicable health, safety and access laws; and

35 (5) comply with all statements set forth in the application submitted
36 pursuant to subsection (a).

37 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921
38 through 72-1930, and amendments thereto, or as required by the board of
39 education of the public innovative district, a public innovative district shall
40 be exempt from all laws and rules and regulations that are applicable to
41 school districts.

42 (2) A public innovative district shall be subject to the special
43 education for exceptional children act, the virtual school act, the ~~classroom~~

1 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463 school~~
2 ~~district finance and quality performance act of 2017, section 3 et seq., and~~
3 ~~amendments thereto, the provisions of K.S.A. 72-8801 et seq., and~~
4 ~~amendments thereto, all laws governing the issuance of general obligation~~
5 ~~bonds by school districts, the provisions of K.S.A. 74-4901 et seq., and~~
6 ~~amendments thereto, and all laws governing the election of members of~~
7 ~~the board of education, the open meetings act as provided in K.S.A. 75-~~
8 ~~4317 et seq., and amendments thereto, and the open records act as~~
9 ~~provided in K.S.A. 45-215 et seq., and amendments thereto.~~

10 Sec. 62. K.S.A. 2016 Supp. 72-3607 is hereby amended to read as
11 follows: 72-3607. (a) There is hereby established in every school district
12 which has developed and is operating a parent education program for
13 which grants are awarded under this act a fund which shall be called the
14 parent education program fund, which fund shall consist of all moneys
15 deposited therein or transferred thereto according to law. Notwithstanding
16 any other provision of law, all moneys received by the school district from
17 whatever source for a parent education program operated under this act
18 shall be credited to the fund established by this section. Amounts deposited
19 in the parent education program fund ~~may~~ shall be used *exclusively* for the
20 payment of expenses directly attributable to the program ~~or may be~~
21 ~~transferred to the general fund of the school district as approved by the~~
22 ~~board of education.~~

23 (b) *Any unencumbered balance of moneys remaining in the parent*
24 *education program fund of a school district on June 30 of the current*
25 *school year may be expended in the school year that immediately succeeds*
26 *such date by the school district for general operating expenses of the*
27 *school district as approved by the board of education.*

28 Sec. 63. K.S.A. 2016 Supp. 72-3711 is hereby amended to read as
29 follows: 72-3711. K.S.A. 2016 Supp. 72-3711 through 72-3715 *and*
30 *section 49*, and amendments thereto, shall be known and may be cited as
31 the virtual school act.

32 Sec. 64. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as
33 follows: 72-3712. As used in the virtual school act:

34 (a) "Virtual school" means any school or educational program that:
35 (1) Is offered for credit; (2) uses distance-learning technologies which
36 predominately use internet-based methods to deliver instruction; (3)
37 involves instruction that occurs asynchronously with the teacher and pupil
38 in separate locations; (4) requires the pupil to make academic progress
39 toward the next grade level and matriculation from kindergarten through
40 high school graduation; (5) requires the pupil to demonstrate competence
41 in subject matter for each class or subject in which the pupil is enrolled as
42 part of the virtual school; and (6) requires age-appropriate pupils to
43 complete state assessment tests.

1 (b) "School district" means any school district which offers a virtual
2 school.

3 (c) Except as provided by the virtual school act, words and phrases
4 shall have the meanings ascribed thereto in ~~K.S.A. 2016 Supp. 72-6464~~
5 ~~section 4~~, and amendments thereto.

6 Sec. 65. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as
7 follows: 72-3715. (a) In order to be included in the full-time equivalent
8 enrollment of a virtual school, a pupil shall be in attendance at the virtual
9 school on: (1) A single school day on or before September 19 of each
10 school year; and (2) on a single school day on or after September 20, but
11 before October 4 of each school year.

12 (b) A school district which offers a virtual school shall determine the
13 full-time equivalent enrollment of each pupil enrolled in the virtual school
14 on September 20 of each school year as follows:

15 (1) Determine the number of hours the pupil was in attendance on a
16 single school day on or before September 19 of each school year;

17 (2) determine the number of hours the pupil was in attendance on a
18 single school day on or after September 20, but before October 4 of each
19 school year;

20 (3) add the numbers obtained under paragraphs (1) and (2);

21 (4) divide the sum obtained under paragraph (3) by 12. The quotient
22 is the full-time equivalent enrollment of the pupil.

23 (c) The school days on which a district determines the full-time
24 equivalent enrollment of a pupil under subsections (b)(1) and (2) shall be
25 the school days on which the pupil has the highest number of hours of
26 attendance at the virtual school. No more than six hours of attendance may
27 be counted in a single school day. Attendance may be shown by a pupil's
28 on-line activity or entries in the pupil's virtual school journal or log of
29 activities.

30 (d) Subject to the availability of appropriations and within the limits
31 of any such appropriations, each school year a school district which offers
32 a virtual school shall receive virtual school state aid.

33 The state board of education shall determine the amount of virtual
34 school state aid a school district is to receive as follows:

35 (1) ~~For school year 2015-2016:~~

36 (A) ~~Determine the number of pupils enrolled in virtual school on a~~
37 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~
38 ~~multiply the total number of such pupils by \$5,000;~~

39 (B) ~~determine the full-time equivalent enrollment of pupils enrolled~~
40 ~~in virtual school on a part-time basis, excluding those pupils who are over~~
41 ~~18 years of age, and multiply the total full-time equivalent enrollment of~~
42 ~~such pupils by \$4,045;~~

43 (C) ~~for pupils enrolled in a virtual school who are over 18 years of~~

1 age, determine the number of one-hour credit courses such pupils have
 2 passed and multiply the total number of such courses by \$933; and
 3 ~~(D) add the amounts calculated under subsections (d)(1)(A) through~~
 4 ~~(d)(1)(C). The resulting sum is the amount of virtual school state aid the~~
 5 ~~school district shall receive.~~
 6 ~~(2) For school year 2016-2017:~~
 7 ~~(A) Determine the number of pupils enrolled in virtual school on a~~
 8 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~
 9 ~~multiply the total number of such pupils by \$5,600;~~
 10 ~~(B) determine the full-time equivalent enrollment of pupils enrolled~~
 11 ~~in virtual school on a part-time basis, excluding those pupils who are over~~
 12 ~~18 years of age, and multiply the total full-time equivalent enrollment of~~
 13 ~~such pupils by \$1,700;~~
 14 ~~(C) for pupils enrolled in a virtual school who are over 18 years of~~
 15 ~~age, determine the number of one-hour credit courses such pupils have~~
 16 ~~passed and multiply the total number of such courses by \$933; and~~
 17 ~~(D) add the amounts calculated under subsections (d)(2)(A) through~~
 18 ~~(d)(2)(C). The resulting sum is the amount of virtual school state aid the~~
 19 ~~school district shall receive.~~
 20 ~~(3) For purposes of this subsection:~~
 21 ~~(A) "Full-time" means attendance in a virtual school for no less than~~
 22 ~~six hours as determined pursuant to subsection (b).~~
 23 ~~(B) "Part-time" means attendance in a virtual school for less than six~~
 24 ~~hours as determined pursuant to subsection (b) *Multiply the full-time*~~
 25 ~~*equivalent enrollment of the virtual school by an amount equal to 105% of*~~
 26 ~~*the amount of base state aid per pupil;*~~
 27 ~~(2) *multiply the full-time equivalent enrollment of nonproficient at-*~~
 28 ~~*risk pupils enrolled in an approved at-risk program offered by the virtual*~~
 29 ~~*school, if any, by an amount equal to 25% of the amount of base state aid*~~
 30 ~~*per pupil;*~~
 31 ~~(3) *add any amount determined under section 49, and amendments*~~
 32 ~~*thereto; and*~~
 33 ~~(4) *add the amounts obtained under subparagraphs (1) through (3).*~~
 34 ~~*The sum is the amount of virtual school state aid to which the school*~~
 35 ~~*district is entitled.*~~
 36 (e) There is hereby established in every school district a fund which
 37 shall be called the virtual school fund, which fund shall consist of all
 38 moneys deposited therein or transferred thereto according to law. *Moneys*
 39 *received as virtual school state aid shall be deposited in the general fund*
 40 *of the school district and transferred to the virtual school fund of the*
 41 *school district.* The expenses of a school district directly attributable to
 42 virtual schools offered by a school district may be paid from the virtual
 43 school fund. The cost of an advance placement course provided to a pupil

1 by a virtual school shall be paid by the virtual school. ~~Amounts deposited~~
2 ~~in the virtual school fund may be transferred to the general fund of the~~
3 ~~school district as approved by the board of education.~~

4 Any balance remaining in the virtual school fund at the end of the
5 budget year shall be carried forward into the virtual school fund for
6 succeeding budget years. Such fund shall not be subject to the provisions
7 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

8 *Any unencumbered balance of moneys remaining in the virtual school*
9 *fund of the school district on June 30 of the current school year may be*
10 *expended in the school year that immediately succeeds such date by the*
11 *school district for general operating expenses of the school district as*
12 *approved by the board of education.*

13 In preparing the budget of such school district, the amounts credited to
14 and the amount on hand in the virtual school fund, and the amount
15 expended therefrom shall be included in the annual budget for the
16 information of the residents of the school district. Interest earned on the
17 investment of moneys in any such fund shall be credited to that fund.

18 (f) For the purposes of this section, a pupil enrolled in a virtual school
19 who is not a resident of the state of Kansas shall not be counted in the full-
20 time equivalent enrollment of the virtual school. The virtual school shall
21 record the permanent address of any pupil enrolled in such virtual school.

22 Sec. 66. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as
23 follows: 72-5333b. (a) The unified school district maintaining and
24 operating a school on the Fort Leavenworth military reservation, being
25 unified school district No. 207 of Leavenworth county, state of Kansas,
26 shall have a governing body, which shall be known as the "Fort
27 Leavenworth school district board of education" and which shall consist of
28 three members who shall be appointed by, and serve at the pleasure of the
29 commanding general of Fort Leavenworth. One member of the board shall
30 be the president and one member shall be the vice-president. The
31 commanding general, when making any appointment to the board, shall
32 designate which of the offices the member so appointed shall hold. Except
33 as otherwise expressly provided in this section, the district board and the
34 officers thereof shall have and may exercise all the powers, duties,
35 authority and jurisdiction imposed or conferred by law on unified school
36 districts and boards of education thereof, except such school district shall
37 not offer or operate any of grades 10 through 12.

38 (b) The board of education of the school district shall not have the
39 power to issue bonds.

40 (c) Except as otherwise expressly provided in this subsection, the
41 provisions of the ~~classroom learning assuring student success act, K.S.A.~~
42 ~~2016 Supp. 72-6463 school district finance and quality performance act of~~
43 ~~2017, section 3 et seq., and amendments thereto, apply to the school~~

1 district. *As applied to the school district, the terms "school financing*
2 *sources" and "federal impact aid" shall not include any moneys received*
3 *by the school district under subsection (3)(d)(2)(b) of public law 81-874.*

4 Any such moneys received by the school district shall be deposited in the
5 general fund of the school district or, at the discretion of the board of
6 education, in the capital outlay fund of the school district.

7 Sec. 67. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as
8 follows: 72-64b01. (a) No school district shall expend, use or transfer any
9 moneys from the general fund of the district for the purpose of engaging in
10 or supporting in any manner any litigation by the school district or any
11 person, association, corporation or other entity against the state of Kansas,
12 the state board of education, the state department of education, other state
13 agency or any state officer or employee regarding any law concerning
14 school finance. No such moneys shall be paid, donated or otherwise
15 provided to any person, association, corporation or other entity and used
16 for the purpose of any such litigation.

17 (b) Nothing in *section 15, and amendments thereto, or this section*
18 *shall be construed as prohibiting the expenditure, use or transfer of*
19 *moneys from the proceeds of any tax levied by a school district pursuant to*
20 *K.S.A. 2016 Supp. 72-6472, and amendments thereto, supplemental*
21 *general fund for the purposes specified in subsection (a).*

22 Sec. 68. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as
23 follows: 72-64c03. The appropriation of moneys necessary to pay general
24 state aid and supplemental general state aid under the ~~classroom learning~~
25 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *school district*
26 *finance and quality performance act of 2017, section 3 et seq., and*
27 *amendments thereto, and state aid for the provision of special education*
28 *and related services under the special education for exceptional children*
29 *act shall be given first priority in the legislative budgeting process and*
30 *shall be paid first from existing state revenues.*

31 Sec. 69. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as
32 follows: 72-64c05. Article 6 of the constitution of the state of Kansas
33 states that the legislature shall provide for intellectual, educational,
34 vocational and scientific improvement by establishing and maintaining
35 public schools; provide for a state board of education having general
36 supervision of public schools, educational institutions and the educational
37 interests of the state, except those delegated by law to the state board of
38 regents; and make suitable provision for finance of the educational
39 interests of the state. It is the purpose and intention of the legislature to
40 provide a financing system for the education of kindergarten and grades
41 one through 12 which provides students with the capacities set forth in
42 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing
43 system shall be sufficiently flexible for the legislature to consider and

1 utilize financing methods from all available resources in order to satisfy
2 the constitutional requirements under article 6. Such financing methods
3 shall include, but are not limited to, the following:

4 (a) Federal funding to unified school districts or public schools,
5 including any grants or federal assistance;

6 (b) subject to appropriations by the legislature, appropriations of state
7 moneys for the improvement of public education, including, but not
8 limited to, the following:

9 (1) Financing to unified school districts through the ~~classroom-~~
10 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *school*
11 *district finance and quality performance act of 2017, section 3* et seq., and
12 amendments thereto;

13 (2) financing to unified school districts through any provisions which
14 provide state aid, such as capital improvements state aid, capital outlay
15 state aid and any other state aid paid, distributed or allocated to school
16 districts on the basis of the assessed valuation of school districts;

17 (3) employer contributions to the Kansas public employees retirement
18 system for public schools;

19 (4) appropriations to the Kansas children's cabinet for programs
20 serving students enrolled in unified school districts in meeting the goal
21 specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

22 (5) appropriations to any programs which provide early learning to
23 four-year-old children with the purpose of preparing them for success in
24 public schools;

25 (6) appropriations to any programs, such as communities in schools,
26 which provide individualized support to students enrolled in unified school
27 districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and
28 amendments thereto;

29 (7) transportation financing, including any transfers from the state
30 general fund and state highway fund to the state department of education
31 to provide technical education transportation, special education
32 transportation or school bus safety;

33 (8) financing to other facilities providing public education to students,
34 such as the Kansas state school for the blind, the Kansas state school for
35 the deaf, school district juvenile detention facilities and the Flint Hills job
36 corps center;

37 (9) appropriations relating to the Kansas academy of mathematics and
38 science;

39 (10) appropriations relating to teaching excellence, such as
40 scholarships, awards, training or in-service workshops;

41 (11) appropriations to the state board of regents to provide technical
42 education incentives to unified school districts and tuition costs to
43 postsecondary institutions which provide career technical education to

1 secondary students; and

2 (12) appropriations to any postsecondary educational institution
3 which provides postsecondary education to a secondary student without
4 charging tuition to such student;

5 (c) any provision which authorizes the levying of local taxes for the
6 purpose of financing public schools; and

7 (d) any transfer of funds or appropriations from one object or fund to
8 another approved by the legislature for the purpose of financing public
9 schools.

10 Sec. 70. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as
11 follows: 72-6622. In the event that all of the property acquired by any two
12 cities under the provisions of K.S.A. 3-404 et seq., and amendments
13 thereto, is included within the territory of a unified school district in which
14 only one of such cities is located:

15 (a) One-half of the assessed valuation of such property shall be
16 assigned to each of the two school districts in which such cities are located
17 for the purposes of determining the assessed valuation of each district for:
18 *(1) Entitlement to payment of supplemental general state aid under section*
19 *17, and amendments thereto; and (2) entitlement to payment from the*
20 *school district capital improvements fund under K.S.A. 75-2319, and*
21 *amendments thereto;*

22 (b) The revenue to be received by each district under subsection (c)
23 shall be used as a receipt by such district in computing its ad valorem tax
24 requirement for each tax levy fund; and

25 (c) Such property shall be subject to taxation for school purposes at a
26 rate equal to the aggregate of all rates imposed for school purposes upon
27 property located within the school district in which such property is
28 located, but one-half of the proceeds derived from such levy shall be
29 allocated to each of the two school districts in which such cities are
30 located.

31 Sec. 71. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as
32 follows: 72-6624. (a) As used in this section:

33 (1) "School district" means unified school district No. 404, unified
34 school district No. 493, unified school district No. 499 and unified school
35 district No. 508.

36 (2) "Property" means any property, and improvements thereon,
37 comprising a racetrack gaming facility or lottery gaming facility under the
38 Kansas expanded lottery act located in Cherokee county.

39 (3) "State aid" means general state aid, *supplemental general state*
40 *aid*, capital improvements state aid, capital outlay state aid and any other
41 state aid paid, distributed or allocated to school districts under the
42 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
43 ~~6463 school district finance and quality performance act of 2017, section~~

1 3 et seq., and amendments thereto, or other law, and any other state aid
2 paid, distributed or allocated to school districts on the basis of the assessed
3 valuation of school districts.

4 (b) For the purposes of computing the assessed valuation of school
5 districts for the payment, distribution or allocation of state aid and the
6 levying of school taxes, $\frac{1}{4}$ of the assessed valuation of such property shall
7 be assigned to each of the school districts.

8 (c) The provisions of this section shall not apply if the property is not
9 or ceases to be used as a racetrack gaming facility or lottery gaming
10 facility under the Kansas expanded lottery act.

11 Sec. 72. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as
12 follows: 72-6625. (a) As used in this section:

13 (1) "School district" means unified school district No. 507 and
14 unified school district No. 374.

15 (2) "Property" means the following described property, and
16 improvements thereon, comprised of 1,120 acres, more or less, located in
17 Haskell county: All of Section 34, Township 29 South, Range 33 West and
18 the West $\frac{1}{2}$ of Section 3, Township 30 South, Range 33 West and the
19 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

20 (3) "State aid" means general state aid, *supplemental general state*
21 *aid*, capital improvements state aid, capital outlay state aid and any other
22 state aid paid, distributed or allocated to school districts under the
23 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
24 ~~6463 school district finance and quality performance act of 2017, section~~
25 3 et seq., and amendments thereto, or other law, and any other state aid
26 paid, distributed or allocated to school districts on the basis of the assessed
27 valuation of school districts.

28 (b) For the purposes of computing the assessed valuation of school
29 districts for the payment, distribution or allocation of state aid and the
30 levying of school taxes, $\frac{1}{2}$ of the assessed valuation of such property shall
31 be assigned to each of the school districts.

32 (c) The provisions of this section shall not apply if the property is not
33 or ceases to be used for the production of ethanol.

34 Sec. 73. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as
35 follows: 72-6757. (a) As used in this section:

36 (1) "Receiving school district" means a school district of
37 nonresidence of a pupil who attends school in such school district.

38 (2) "Sending school district" means a school district of residence of a
39 pupil who attends school in a school district not of the pupil's residence.

40 (b) The board of education of any school district may make and enter
41 into contracts with the board of education of any receiving school district
42 located in this state for the purpose of providing for the attendance of
43 pupils at school in the receiving school district.

1 (c) The board of education of any school district may make and enter
2 into contracts with the governing authority of any accredited school
3 district located in another state for the purpose of providing for the
4 attendance of pupils from this state at school in such other state or for the
5 attendance of pupils from such other state at school in this state.

6 (d) Pupils attending school in a receiving school district in
7 accordance with a contract authorized by this section and made and
8 entered into by such receiving school district with a sending school district
9 located in this state shall be counted as regularly enrolled in and attending
10 school in the sending school district for the purpose of computations under
11 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
12 ~~6463 school district finance and quality performance act of 2017, section~~
13 ~~3 et seq., and amendments thereto.~~

14 (e) Any contract made and entered into under authority of this section
15 is subject to the following conditions:

16 (1) The contract shall be for the benefit of pupils who reside at
17 inconvenient or unreasonable distances from the schools maintained by the
18 sending school district or for pupils who, for any other reason deemed
19 sufficient by the board of education of the sending school district, should
20 attend school in a receiving school district;

21 (2) the contract shall make provision for the payment of tuition by the
22 sending school district to the receiving school district;

23 (3) if a sending school district is located in this state and the receiving
24 school district is located in another state, the amount of tuition provided to
25 be paid for the attendance of a pupil or pupils at school in the receiving
26 school district shall not exceed $\frac{1}{2}$ of the amount of the budget per pupil of
27 the sending school district under the ~~classroom learning assuring student~~
28 ~~success act, K.S.A. 2016 Supp. 72-6463 school district finance and quality~~
29 ~~performance act of 2017, section 3 et seq., and amendments thereto, for~~
30 the current school year; and

31 (4) the contract shall make provision for transportation of pupils to
32 and from the school attended on every school day.

33 (f) Amounts received pursuant to contracts made and entered into
34 under authority of this section by a school district located in this state for
35 enrollment and attendance of pupils at school in regular educational
36 programs shall be deposited in the general fund of the school district.

37 (g) The provisions of subsection (e)(3) do not apply to unified school
38 district No. 104, Jewell county.

39 (h) The provisions of this section do not apply to contracts made and
40 entered into under authority of the special education for exceptional
41 children act.

42 (i) The provisions of this section are deemed to be alternative to the
43 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure

1 or authorization under K.S.A. 72-8233, and amendments thereto, shall be
2 limited by the provisions of this section.

3 Sec. 74. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as
4 follows: 72-67,115. (a) The board of education of any school district may:

5 (1) Offer and teach courses and conduct preschool programs for
6 children under the age of eligibility to attend kindergarten.

7 (2) Enter into cooperative or interlocal agreements with one or more
8 other boards for the establishment, operation and maintenance of such
9 preschool programs.

10 (3) Contract with private, nonprofit corporations or associations or
11 with any public or private agency or institution, whether located within or
12 outside the state, for the establishment, operation and maintenance of such
13 preschool programs.

14 (4) Prescribe and collect fees for providing such preschool programs.

15 (b) Fees for providing preschool programs shall be prescribed and
16 collected only to recover the costs incurred as a result of and directly
17 attributable to the establishment, operation and maintenance of the
18 preschool programs. Revenues from fees collected by a board under this
19 section shall be deposited in the general fund of the school district and
20 shall be considered reimbursements to the district for the purpose of the
21 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
22 ~~6463 school district finance and quality performance act of 2017, section~~
23 ~~3 et seq.~~, and amendments thereto, and may be expended whether the same
24 have been budgeted or not and amounts so expended shall not be
25 considered operating expenses.

26 Sec. 75. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as
27 follows: 72-7535. (a) In order to equip students with the knowledge and
28 skills needed to become self-supporting and to enable students to make
29 critical decisions regarding personal finances, the state board of education
30 shall authorize and assist in the implementation of programs on teaching
31 personal financial literacy.

32 (b) The state board of education shall develop a curriculum, materials
33 and guidelines that local boards of education and governing authorities of
34 accredited nonpublic schools may use in implementing the program of
35 instruction on personal financial literacy. The state board of education
36 shall adopt a glossary of personal financial literacy terms which shall be
37 used by school districts when implementing the program on personal
38 financial literacy.

39 (c) The state board of education shall develop state curriculum
40 standards for personal financial literacy, for all grade levels, within the
41 existing mathematics curriculum or another appropriate subject-matter
42 curriculum.

43 (d) The state board of education shall encourage school districts when

1 selecting textbooks for mathematics, economics, family and consumer
2 science, accounting or other appropriate courses, to select those textbooks
3 which contain substantive provisions on personal finance, including
4 personal budgeting, credit, debt management and other topics concerning
5 personal financial literacy.

6 (e) The state board of education shall include questions relating to
7 personal financial literacy in the statewide assessments for mathematics or
8 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 46*, and
9 amendments thereto. When the statewide assessments for mathematics or
10 social studies are reviewed or rewritten, the state board of education shall
11 examine the questions relating to personal financial literacy and rewrite
12 such questions in order to determine if programs on personal financial
13 literacy are equipping students with the knowledge and skills needed to
14 become self-supporting and enabling students to make critical decisions
15 regarding personal finances.

16 Sec. 76. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as
17 follows: 72-8187. (a) In each school year, to the extent that appropriations
18 are available, each school district which has provided educational services
19 for pupils residing at the Flint Hills job corps center, for pupils housed at a
20 psychiatric residential treatment facility or for pupils confined in a juvenile
21 detention facility is eligible to receive a grant of state moneys in an
22 amount to be determined by the state board of education.

23 (b) In order to be eligible for a grant of state moneys provided for by
24 this section, each school district which has provided educational services
25 for pupils residing at the Flint Hills job corps center, for pupils housed at a
26 psychiatric residential treatment facility or for pupils confined in a juvenile
27 detention facility shall submit to the state board of education an
28 application for a grant and shall certify the amount expended, and not
29 reimbursed or otherwise financed, in the school year for the services
30 provided. The application and certification shall be prepared in such form
31 and manner as the state board shall require and shall be submitted at a time
32 to be determined and specified by the state board. Approval by the state
33 board of applications for grants of state moneys is prerequisite to the
34 award of grants.

35 (c) Each school district which is awarded a grant under this section
36 shall make such periodic and special reports of statistical and financial
37 information to the state board as it may request.

38 (d) All moneys received by a school district under authority of this
39 section shall be deposited in the general fund of the school district and
40 shall be considered reimbursement of the district for the purpose of the
41 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
42 ~~6463~~ *school district finance and quality performance act of 2017, section*
43 *3 et seq.*, and amendments thereto.

1 (e) The state board of education shall approve applications of school
2 districts for grants, determine the amount of grants and be responsible for
3 payment of grants to school districts. In determining the amount of a grant
4 which a school district is eligible to receive, the state board shall compute
5 the amount of state financial aid the district would have received on the
6 basis of enrollment of pupils residing at the Flint Hills job corps center,
7 housed at a psychiatric residential treatment facility or confined in a
8 juvenile detention facility if such pupils had been counted as two pupils
9 under the school district finance and quality performance act and compare
10 such computed amount to the amount certified by the district under
11 subsection (b). The amount of the grant the district is eligible to receive
12 shall be an amount equal to the lesser of the amount computed under this
13 subsection or the amount certified under subsection (b). If the amount of
14 appropriations for the payment of grants under this section is insufficient
15 to pay in full the amount each school district is determined to be eligible to
16 receive for the school year, the state board shall prorate the amount
17 appropriated among all school districts which are eligible to receive grants
18 of state moneys in proportion to the amount each school district is
19 determined to be eligible to receive.

20 (f) On or before July 1 of each year, the secretary for aging and
21 disability services shall submit to the Kansas department of education a list
22 of facilities which have been certified and licensed as psychiatric
23 residential treatment facilities.

24 (g) As used in this section:

25 (1) "Enrollment" means the number of pupils who are: (A) Residing
26 at the Flint Hills job corps center, confined in a juvenile detention facility
27 or residing at a psychiatric residential treatment facility; and (B) for whom
28 a school district is providing educational services on September 20, on
29 November 20, or on April 20 of a school year, whichever is the greatest
30 number of pupils;

31 (2) "juvenile detention facility" means any public or private facility
32 which is used for the lawful custody of accused or adjudicated juvenile
33 offenders and which shall not be a jail; and

34 (3) "psychiatric residential treatment facility" means a facility which
35 provides psychiatric services to individuals under the age of 21 and which
36 conforms with the regulations of the centers for medicare/medicaid
37 services, is licensed and certified by the Kansas department for aging and
38 disability services pursuant to subsection (f).

39 Sec. 77. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as
40 follows: 72-8190. (a) For the purpose of determination of *supplemental*
41 *general state aid under section 17, and amendments thereto, and payments*
42 *from the school district capital improvements fund under K.S.A. 75-2319,*
43 *and amendments thereto, notwithstanding any provision of either such*

1 statutory section to the contrary, the term assessed valuation per pupil, as
2 applied to unified school district No. 203, Wyandotte county, shall not
3 include within its meaning the assessed valuation of property which is
4 owned by Sunflower Racing, Inc. and operated as a racetrack facility
5 known as the Woodlands. The meaning of assessed valuation per pupil as
6 provided in this subsection, for the purposes specified in this subsection,
7 and as applied to the unified school district designated in this subsection,
8 shall be in force and effect for the 1994-95 and 1995-96 school years.

9 (b) (1) In the event unified school district No. 203, Wyandotte county,
10 receives in any school year the proceeds from any taxes which may be
11 paid upon the Woodlands for the 1994-95 school year or the 1995-96
12 school year or for both such school years, the state board of education
13 shall deduct an amount equal to the amount of such tax proceeds from
14 future payments of state aid to which the district is entitled.

15 (2) For the purposes of this subsection, the term "state aid" means
16 *supplemental general state aid and* payments from the school district
17 capital improvements fund.

18 Sec. 78. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as
19 follows: 72-8230. (a) In the event the boards of education of any two or
20 more school districts enter into a school district interlocal cooperation
21 agreement for the purpose of jointly and cooperatively performing any of
22 the services, duties, functions, activities, obligations or responsibilities
23 which are authorized or required by law to be performed by school
24 districts of this state, the following conditions shall apply:

25 (1) A school district interlocal cooperation agreement shall establish a
26 board of directors which shall be responsible for administering the joint or
27 cooperative undertaking. The agreement shall specify the organization and
28 composition of and manner of appointment to the board of directors. Only
29 members of boards of education of school districts party to the agreement
30 shall be eligible for membership on the board of directors. The terms of
31 office of members of the board of directors shall expire concurrently with
32 their terms as board of education members. Vacancies in the membership
33 of the board of directors shall be filled within 30 days from the date of the
34 vacancy in the manner specified in the agreement.

35 (2) A school district interlocal cooperation agreement may provide
36 for the establishment and composition of an executive board. The
37 members of the executive board, if established, shall be selected by the
38 board of directors from its membership. The executive board shall exercise
39 the powers, have the responsibilities, and perform the duties and functions
40 of the board of directors to the extent authority to do so is delegated by the
41 board of directors.

42 (3) A school district interlocal cooperation agreement shall be
43 effective only after approval by the state board of education.

1 (4) A school district interlocal cooperation agreement shall be subject
2 to change or termination by the legislature.

3 (5) The duration of a school district interlocal cooperation agreement
4 for joint or cooperative action in performing any of the services, duties,
5 functions, activities, obligations or responsibilities, other than the
6 provision of special education services, which are authorized or required
7 by law to be performed by school districts of this state, shall be for a term
8 of at least three years but not exceeding five years.

9 (6) (A) The duration of a school district interlocal cooperation
10 agreement for joint or cooperative action in providing special education
11 services shall be perpetual unless the agreement is partially or completely
12 terminated in accordance with this provision. This provision applies to
13 every school district interlocal cooperation agreement for the provision of
14 special education services entered into under authority of this section after
15 the effective date of this act and to every such agreement entered into
16 under this section prior to the effective date of this act, and extant on the
17 effective date of this act, regardless of any provisions in such an agreement
18 to the contrary.

19 (B) Partial termination of a school district interlocal cooperation
20 agreement for the provision of special education services made and
21 entered into by the boards of three or more school districts may be
22 accomplished only upon petition for withdrawal from the agreement by a
23 contracting school district to the other contracting school districts and
24 approval by the state board of written consent to the petition by such other
25 school districts or upon order of the state board after appeal to it by a
26 school district from denial of consent to a petition for withdrawal and
27 hearing thereon conducted by the state board. The state board shall
28 consider all the testimony and evidence brought forth at the hearing and
29 issue an order approving or disapproving withdrawal by the school district
30 from the agreement.

31 (C) Complete termination of a school district interlocal cooperation
32 agreement for the provision of special education services made and
33 entered into by the boards of two school districts may be accomplished
34 upon approval by the state board of a joint petition made to the state board
35 for termination of the agreement by both of the contracting school districts
36 after adoption of a resolution to that effect by each of the contracting
37 school districts or upon petition for withdrawal from the agreement made
38 by a contracting school district to the other contracting school district and
39 approval by the state board of written consent to the petition by such other
40 school district or upon order of the state board after appeal to it by a school
41 district from denial of consent to a petition for withdrawal and hearing
42 thereon conducted by the state board. The state board shall consider all the
43 testimony and evidence brought forth at the hearing and issue an order

1 approving or disapproving withdrawal by the school district from the
2 agreement.

3 (D) Complete termination of a school district interlocal cooperation
4 agreement for the provision of special education services made and
5 entered into by the boards of three or more school districts may be
6 accomplished only upon approval by the state board of a joint petition
7 made to the state board for termination of the agreement by not less than
8 $\frac{2}{3}$ of the contracting school districts after adoption of a resolution to that
9 effect by each of the contracting school districts seeking termination of the
10 agreement. The state board shall consider the petition and approve or
11 disapprove termination of the agreement.

12 (E) The state board shall take such action in approving or
13 disapproving the complete or partial termination of a school district
14 interlocal cooperation agreement for the provision of special education
15 services as the state board deems to be in the best interests of the involved
16 school districts and of the state as a whole in the provision of special
17 education services for exceptional children. Whenever the state board has
18 disapproved the complete or partial termination of such an agreement, no
19 further action with respect to such agreement shall be considered or taken
20 by the state board for a period of not less than three years.

21 (7) A school district interlocal cooperation agreement shall specify
22 the method or methods to be employed for disposing of property upon
23 partial or complete termination.

24 (8) Within the limitations provided by law, a school district interlocal
25 cooperation agreement may be changed or modified by affirmative vote of
26 not less than $\frac{2}{3}$ of the contracting school districts.

27 (b) Except as otherwise specifically provided in this subsection, any
28 power or powers, privileges or authority exercised or capable of exercise
29 by any school district of this state, or by any board of education thereof,
30 may be jointly exercised pursuant to the provisions of a school district
31 interlocal cooperation agreement. No power or powers, privileges or
32 authority with respect to the levy and collection of taxes, the issuance of
33 bonds, or the purposes and provisions of the ~~classroom learning assuring~~
34 ~~student success act, K.S.A. 2016 Supp. 72-6463~~ *school district finance*
35 *and quality performance act of 2017, section 3 et seq.*, and amendments
36 thereto, or title I of public law 874 shall be created or effectuated for joint
37 exercise pursuant to the provisions of a school district interlocal
38 cooperation agreement.

39 (c) Payments from the general fund of each school district which
40 enters into any school district interlocal cooperation agreement for the
41 purpose of financing the joint or cooperative undertaking provided for by
42 the agreement shall be operating expenses.

43 (d) Upon partial termination of a school district interlocal cooperation

1 agreement, the board of directors established under a renegotiated
2 agreement thereof shall be the successor in every respect to the board of
3 directors established under the former agreement.

4 (e) Nothing contained in this section shall be construed to abrogate,
5 interfere with, impair, qualify or affect in any manner the exercise and
6 enjoyment of all of the powers, privileges and authority conferred upon
7 school districts and boards of education thereof by the provisions of the
8 interlocal cooperation act, except that boards of education and school
9 districts are required to comply with the provisions of this section when
10 entering into an interlocal cooperation agreement that meets the definition
11 of school district interlocal cooperation agreement.

12 (f) As used in this section:

13 (1) "School district interlocal cooperation agreement" means an
14 agreement which is entered into by the boards of education of two or more
15 school districts pursuant to the provisions of the interlocal cooperation act.

16 (2) "State board" means the state board of education.

17 Sec. 79. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as
18 follows: 72-8233. (a) In accordance with the provisions of this section, the
19 boards of education of any two or more unified school districts may make
20 and enter into agreements providing for the attendance of pupils residing
21 in one school district at school in kindergarten or any of the grades one
22 through 12 maintained by any such other school district. The boards of
23 education may also provide by agreement for the combination of
24 enrollments for kindergarten or one or more grades, courses or units of
25 instruction.

26 (b) Prior to entering into any agreement under authority of this
27 section, the board of education shall adopt a resolution declaring that it has
28 made a determination that such an agreement should be made and that the
29 making and entering into of such an agreement would be in the best
30 interests of the educational system of the school district. Any such
31 agreement is subject to the following conditions:

32 (1) The agreement may be for any term not exceeding a term of five
33 years.

34 (2) The agreement shall be subject to change or termination by the
35 legislature.

36 (3) Within the limitations provided by law, the agreement may be
37 changed or terminated by mutual agreement of the participating boards of
38 education.

39 (4) The agreement shall make provision for transportation of pupils to
40 and from the school attended on every school day, for payment or sharing
41 of the costs and expenses of pupil attendance at school, and for the
42 authority and responsibility of the participating boards of education.

43 (c) Provision by agreements entered into under authority of this

1 section for the attendance of pupils at school in a school district of
2 nonresidence of such pupils shall be deemed to be compliance with the
3 kindergarten, grade, course and units of instruction requirements of law.

4 (d) The board of education of any school district which enters into an
5 agreement under authority of this section for the attendance of pupils at
6 school in another school district may discontinue kindergarten or any or all
7 of the grades, courses and units of instruction specified in the agreement
8 for attendance of pupils enrolled in kindergarten or any such grades,
9 courses and units of instruction at school in such other school district.
10 Upon discontinuing kindergarten or any grade, course or unit of instruction
11 under authority of this subsection, the board of education may close any
12 school building or buildings operated or used for attendance by pupils
13 enrolled in such discontinued kindergarten, grades, courses or units of
14 instruction. The closing of any school building under authority of this
15 subsection shall require a majority vote of the members of the board of
16 education and shall require no other procedure or approval.

17 (e) Pupils attending school in a school district of nonresidence of
18 such pupils in accordance with an agreement made and entered into under
19 authority of this section shall be counted as regularly enrolled in and
20 attending school in the school district of residence of such pupils for the
21 purpose of computations under ~~the classroom learning assuring student~~
22 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *school district finance and quality*
23 *performance act of 2017, section 3 et seq.*, and amendments thereto.

24 (f) Pupils who satisfactorily complete grade 12 while in attendance at
25 school in a school district of nonresidence of such pupils in accordance
26 with the provisions of an agreement entered into under authority of this
27 section shall be certified as having graduated from the school district of
28 residence of such pupils unless otherwise provided for by the agreement.

29 Sec. 80. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as
30 follows: 72-8236. (a) The board of education of any school district may:
31 (1) Establish, operate and maintain a child care facility; (2) enter into
32 cooperative or interlocal agreements with one or more other boards for the
33 establishment, operation and maintenance of a child care facility; (3)
34 contract with private, nonprofit corporations or associations or with any
35 public or private agency or institution, whether located within or outside
36 the state, for the establishment, operation and maintenance of a child care
37 facility; and (4) prescribe and collect fees for providing care at a child care
38 facility.

39 (b) Fees for providing care at a child care facility established under
40 authority of this section shall be prescribed and collected only to recover
41 the costs incurred as a result of and directly attributable to the
42 establishment, operation and maintenance of the child care facility.
43 Revenues from fees collected by a board under this section shall be

1 deposited in the general fund of the school district and shall be considered
2 reimbursements to the district for the purpose of the ~~classroom learning~~
3 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *school district*
4 *finance and quality performance act of 2017, section 3 et seq.*, and
5 amendments thereto, and may be expended whether the same have been
6 budgeted or not and amounts so expended shall not be considered
7 operating expenses.

8 (c) Every school district which establishes, operates and maintains a
9 child care facility shall be subject to the provisions contained in article 5 of
10 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

11 (d) As used in this section, the term "child" means any child who is
12 three years of age or older, and any infant or toddler whose parent or
13 parents are pupils or employees of a school district which establishes,
14 operates and maintains, or cooperates in the establishment, operation and
15 maintenance of, a child care facility under authority of this act.

16 Sec. 81. K.S.A. 2016 Supp. 72-8237 is hereby amended to read as
17 follows: 72-8237. (a) The board of education of any school district may:
18 (1) Establish, operate and maintain a summer program for pupils; (2) enter
19 into cooperative or interlocal agreements with one or more other boards of
20 education for the establishment, operation and maintenance of a summer
21 program for pupils; and (3) prescribe and collect fees for providing a
22 summer program for pupils or provide such program without charge.

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

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

32 (d) There is hereby established in every district which establishes,
33 operates and maintains a summer program a fund which shall be called the
34 summer program fund, which fund shall consist of all moneys deposited
35 therein or transferred thereto according to law. All moneys received by a
36 district from fees collected under this section or from any other source for
37 summer programs shall be credited to the summer program fund. ~~Amounts~~
38 ~~deposited in the summer program fund may be used for the payment of~~
39 ~~expenses directly attributable to the program or may be transferred to the~~
40 ~~general fund of the school district as approved by the board of education~~
41 *The expenses of the school district directly attributable to summer*
42 *programs shall be paid from the summer program fund.*

43 *Any unencumbered balance of moneys remaining in the summer*

1 *program fund of a school district on June 30 of the current school year*
2 *may be expended in the school year that immediately succeeds such date*
3 *by the school district for general operating expenses of the school district*
4 *as approved by the board of education.*

5 (e) As used in this section, the term "summer program" means a
6 program which is established by the board of education of a school district
7 and operated during the summer months for the purpose of giving remedial
8 instruction to pupils or for the purpose of conducting special projects and
9 activities designed to enrich and enhance the educational experience of
10 pupils, or for both such purposes.

11 Sec. 82. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as
12 follows: 72-8249. (a) There is hereby established in every school district a
13 special reserve fund. Moneys in such fund shall be used to:

14 (1) Pay claims, judgments, expenses and other purposes relating to
15 health care services, disability income benefits and group life insurance
16 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

17 (2) pay costs relating to uninsured losses; and

18 (3) pay the cost of workers compensation insurance and workers
19 compensation claims, awards, expenses and other purposes authorized by
20 the workers compensation act.

21 ~~Moneys in such fund may be transferred to the general fund of the~~
22 ~~school district as approved by the board of education.~~

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

32 Sec. 83. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as
33 follows: 72-8250. (a) There is hereby established in every school district a
34 textbook and student materials revolving fund. Moneys in such fund shall
35 be used to:

36 (1) Purchase any items designated in K.S.A. 72-5389, and
37 amendments thereto;

38 (2) pay the cost of materials or other items used in curricular,
39 extracurricular or other school-related activities; and

40 (3) purchase textbooks as authorized by K.S.A. 72-4141, and
41 amendments thereto.

42 ~~Moneys in such fund may be transferred to the general fund of the~~
43 ~~school district as approved by the board of education.~~

1 (b) Any balance remaining in the textbook and student materials
2 revolving fund at the end of the budget year shall be carried forward into
3 that fund for succeeding budget years. Such fund shall not be subject to the
4 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
5 In preparing the budget of such school district, the amounts credited to and
6 the amount on hand in the textbook and student materials revolving fund,
7 and the amount expended therefrom shall be included in the annual budget
8 for the information of the residents of the school district. Interest earned on
9 the investment of moneys in any such fund shall be credited to that fund.

10 *Any unencumbered balance of moneys remaining in the textbook and*
11 *student materials revolving fund of a school district on June 30 of the*
12 *current school year may be expended in the school year that immediately*
13 *succeeds such date by the school district for general operating expenses of*
14 *the school district as approved by the board of education in an amount not*
15 *to exceed 1/3 of the unencumbered balance of the school district's textbook*
16 *and student materials revolving fund.*

17 Sec. 84. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as
18 follows: 72-8251. Whenever a school district is required by law to make
19 any payment during the month of June and there is insufficient revenue to
20 make such payment as a result of the payment of state aid after the date
21 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~
22 ~~72-6466~~ section 7, and amendments thereto, the school district shall make
23 such payment as soon as moneys are available.

24 Sec. 85. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as
25 follows: 72-8302. (a) The board of education of a school district may
26 provide or furnish transportation for pupils who are enrolled in the school
27 district to or from any school of the school district or to or from any school
28 of another school district attended by such pupils in accordance with the
29 provisions of an agreement entered into under authority of K.S.A. 72-
30 8233, and amendments thereto.

31 (b) (1) When any or all of the conditions specified in this provision
32 exist, the board of education of a school district shall provide or furnish
33 transportation for pupils who reside in the school district and who attend
34 any school of the school district or who attend any school of another
35 school district in accordance with the provisions of an agreement entered
36 into under authority of K.S.A. 72-8233, and amendments thereto. The
37 conditions which apply to the requirements of this provision are as
38 follows:

39 (A) The residence of the pupil is inside or outside the corporate limits
40 of a city, the school building attended is outside the corporate limits of a
41 city and the school building attended is more than 2¹/₂ miles by the usually
42 traveled road from the residence of the pupil; or

43 (B) the residence of the pupil is outside the corporate limits of a city,

1 the school building attended is inside the corporate limits of a city and the
2 school building attended is more than 2¹/₂ miles by the usually traveled
3 road from the residence of the pupil; or

4 (C) the residence of the pupil is inside the corporate limits of one city,
5 the school building attended is inside the corporate limits of a different city
6 and the school building attended is more than 2¹/₂ miles by the usually
7 traveled road from the residence of the pupil.

8 (2) The provisions of this subsection are subject to the provisions of
9 subsections (c) and (d).

10 (c) The board of education of every school district is authorized to
11 adopt rules and regulations to govern the conduct, control and discipline of
12 all pupils while being transported in school buses. The board may suspend
13 or revoke the transportation privilege or entitlement of any pupil who
14 violates any rules and regulations adopted by the board under authority of
15 this subsection.

16 (d) The board of education of every school district may suspend or
17 revoke the transportation privilege or entitlement of any pupil who is
18 detained at school at the conclusion of the school day for violation of any
19 rules and regulations governing pupil conduct or for disobedience of an
20 order of a teacher or other school authority. Suspension or revocation of
21 the transportation privilege or entitlement of any pupil specified in this
22 subsection shall be limited to the school day or days on which the pupil is
23 detained at school. The provisions of this subsection do not apply to any
24 pupil who has been determined to be an exceptional child, except gifted
25 children, under the provisions of the special education for exceptional
26 children act.

27 (e) (1) Subject to the limitations specified in this subsection, the
28 board of education of any school district may prescribe and collect fees to
29 offset, totally or in part, the costs incurred for the provision or furnishing
30 of transportation for pupils. The limitations which apply to the
31 authorization granted by this subsection are as follows:

32 (A) Fees for the provision or furnishing of transportation for pupils
33 shall be prescribed and collected only to recover the costs incurred as a
34 result of and directly attributable to the provision or furnishing of
35 transportation for pupils and only to the extent that such costs are not
36 reimbursed from any other source provided by law;

37 (B) fees for the provision or furnishing of transportation may not be
38 assessed against or collected from any pupil *who is counted in determining*
39 *the transportation weighting of the school district under the provisions of*
40 *the school district finance and quality performance act of 2017, or any*
41 *pupil* who is determined to be a child with disabilities under the provisions
42 of the special education for exceptional children act or any pupil who is
43 eligible for free or reduced price meals under the national school lunch act

1 or any pupil who is entitled to transportation under the provisions of
2 K.S.A. 72-8306(a), and amendments thereto, and who resides 2¹/₂ miles or
3 more by the regular route of a school bus from the school attended;

4 (C) fees for the provision or furnishing of transportation for pupils in
5 accordance with the provisions of an agreement entered into under
6 authority of K.S.A. 72-8233 or 72-8307, and amendments thereto, shall be
7 controlled by the provisions of the agreement.

8 (2) All moneys received by a school district from fees collected under
9 this subsection shall be deposited in the general fund of the district.

10 Sec. 86. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as
11 follows: 72-8309. (a) The board of education of a school district shall not
12 furnish or provide transportation for pupils or students who reside in
13 another school district except in accordance with the written consent of the
14 board of education of the school district in which such pupil or student
15 resides, or in accordance with an order issued by a board of education
16 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in
17 accordance with the provisions of an agreement entered into under
18 authority of K.S.A. 72-8233, and amendments thereto.

19 (b) A school district may transport a nonresident pupil or student if
20 such pupil or student boards the school bus within the boundaries or on the
21 boundary of the transporting school district. To the extent that the
22 provisions of this subsection conflict with the provisions of subsection (a),
23 the provisions of subsection (a) shall control.

24 (c) *No pupil who is furnished or provided transportation by a school*
25 *district that is not the school district in which the pupil resides shall be*
26 *counted in the computation of the school district's transportation*
27 *weighting under the school district finance and quality performance act of*
28 *2017.*

29 Sec. 87. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as
30 follows: 72-8316. (a) Any board of education, pursuant to a policy
31 developed and adopted by it, may provide for the use of district-owned or
32 leased school buses when such buses are not being used for regularly
33 required school purposes. The policy may provide for:

34 (1) (A) Transporting parents and other adults to or from school-
35 related functions or activities; (B) transporting pupils to or from functions
36 or activities sponsored by organizations, the membership of which is
37 principally composed of children of school age; and (C) transporting
38 persons engaged in field trips in connection with their participation in an
39 adult education program maintained by the transporting school district or
40 by any other school district, within or outside the boundaries of the
41 transporting school district; and

42 (2) contracting with: (A) The governing body of any township, city or
43 county for transportation of individuals, groups or organizations; (B) the

1 governing authority of any nonpublic school for transportation of pupils
 2 attending such nonpublic school to or from interschool or intraschool
 3 functions or activities; (C) the board of trustees of any community college
 4 for transportation of students enrolled in such community college to or
 5 from attendance at class at the community college or to and from functions
 6 or activities of the community college; (D) a public recreation commission
 7 established and operated under the laws of this state, for any purposes
 8 related to the operation of the recreation commission and all programs and
 9 services thereof; (E) the board of education of any other school district for
 10 transportation, on a cooperative and shared-cost basis, of pupils, school
 11 personnel, parents and other adults to or from school-related functions or
 12 activities; or (F) a four-year college or university, area vocational school or
 13 area vocational-technical school for transportation of students to or from
 14 attendance at class at the four-year college or university, area vocational
 15 school or area vocational-technical school or for transportation of students,
 16 alumni and other members of the public to or from functions or activities
 17 of the four-year college or university, area vocational school or area
 18 vocational-technical school.

19 *(b) The costs related to the use of school buses under the authority of*
 20 *this section shall not be considered in determining the transportation*
 21 *weighting of a school district under the school district finance and quality*
 22 *performance act of 2017.*

23 ~~(b)~~ (c) Transportation fees may be charged by the board to offset,
 24 totally or in part, the costs incurred for the use of school buses under
 25 authority of this section.

26 ~~(e)~~ (d) Any revenues received by a board of education as
 27 transportation fees or under any contract entered into pursuant to this
 28 section shall be deposited in the general fund of the school district and
 29 shall be considered reimbursements to the school district for the purpose of
 30 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
 31 ~~6463~~ *school district finance and quality performance act of 2017, section*
 32 *3 et seq., and amendments thereto. Such revenues may be expended*
 33 *whether the same have been budgeted or not.*

34 ~~(d)~~ (e) The provisions of K.S.A. 8-1556(c), and amendments thereto,
 35 apply to the use of school buses under authority of this section.

36 Sec. 88. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as
 37 follows: 72-8415b. (a) Any school district that elects to become a self-
 38 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,
 39 may transfer moneys from its general fund to the special reserve fund of
 40 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 42, and*
 41 *amendments thereto.*

42 (b) Any community college that elects to become a self-insurer under
 43 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer

1 such amounts from its general fund to the health care services reserve fund
2 or the disability income benefits reserve fund, or the group life benefit
3 reserve fund, or all three, as may be deemed necessary to meet the cost of
4 health care services or disability income benefits, or group life insurance
5 claims, whichever is applicable.

6 Sec. 89. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as
7 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school
8 district and any moneys received from issuance of bonds under K.S.A. 72-
9 8805 or 72-8810, and amendments thereto, may be used for the purpose of
10 the acquisition, construction, reconstruction, repair, remodeling, additions
11 to, furnishing, maintaining and equipping of school district property and
12 equipment necessary for school district purposes, including: (1)
13 Acquisition of computer software; (2) acquisition of performance
14 uniforms; (3) housing and boarding pupils enrolled in an area vocational
15 school operated under the board of education; (4) architectural expenses;
16 (5) acquisition of building sites; (6) undertaking and maintenance of
17 asbestos control projects; (7) acquisition of school buses; and (8)
18 acquisition of other fixed assets, ~~and, for school years 2015-2016 and~~
19 ~~2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and~~
20 ~~amendments thereto, may be transferred to the general fund of the school~~
21 ~~district as approved by the board of education.~~

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

31 Sec. 90. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as
32 follows: 72-8908. As used in this act:

- 33 (a) "Juvenile" means a person who is less than 18 years of age;
34 (b) "adult" means a person who is 18 years of age or older;
35 (c) "felony" means any crime designated a felony by the laws of
36 Kansas or the United States;
37 (d) "misdemeanor" means any crime designated a misdemeanor by
38 the laws of Kansas or the United States;
39 (e) "school day" means any day on which school is maintained;
40 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016~~
41 ~~Supp. 72-6464 section 4, and amendments thereto;~~
42 (g) "counsel" means any person a pupil selects to represent and
43 advise the pupil at all proceedings conducted pursuant to the provisions of

1 this act; and

2 (h) "principal witness" means any witness whose testimony is of
3 major importance in support of the charges upon which a proposed
4 suspension or expulsion from school is based, or in determination of
5 material questions of fact.

6 Sec. 91. K.S.A. 2016 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. ~~Amounts deposited in the bilingual education fund may be used for~~
11 ~~the payment of expenses directly attributable to bilingual education or may~~
12 ~~be transferred to the general fund of the school district as approved by the~~
13 ~~board of education~~ *The expenses of a school district directly attributable*
14 *to such bilingual education programs shall be paid from the bilingual*
15 *education fund.*

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

25 *Any unencumbered balance of moneys remaining in the bilingual*
26 *education fund of a school district on June 30 of the current school year*
27 *may be expended in the school year that immediately succeeds such date*
28 *by the school district for general operating expenses of the school district*
29 *as approved by the board of education.*

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

38 Sec. 92. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as
39 follows: 72-9609. There is hereby established in every school district a
40 fund which shall be called the professional development fund, which fund
41 shall consist of all moneys deposited therein or transferred thereto
42 according to law. All moneys received by the school district from whatever
43 source for professional development programs established under this act

1 shall be credited to the fund established by this section. ~~Amounts deposited~~
2 ~~in the professional development fund may be used for the payment of~~
3 ~~expenses directly attributable to professional development or may be~~
4 ~~transferred to the general fund of the school district as approved by the~~
5 ~~board of education~~ *The expenses of a school district directly attributable*
6 *to professional development programs shall be paid from the professional*
7 *development fund.*

8 *Any unencumbered balance of moneys remaining in the professional*
9 *development fund of a school district on June 30 of the current school year*
10 *may be expended in the school year that immediately succeeds such date*
11 *by the school district for general operating expenses of the school district*
12 *as approved by the board of education.*

13 Sec. 93. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as
14 follows: 72-99a02. As used in the tax credit for low income students
15 scholarship program act:

16 (a) "Contributions" means monetary gifts or donations and in-kind
17 contributions, gifts or donations that have an established market value.

18 (b) "Department" means the Kansas department of revenue.

19 (c) "Educational scholarship" means an amount not to exceed \$8,000
20 per school year provided to an eligible student, or to a qualified school
21 with respect to an eligible student, to cover all or a portion of the costs of
22 education including tuition, fees and expenses of a qualified school and, if
23 applicable, the costs of transportation to a qualified school if provided by
24 such qualified school.

25 (d) "Eligible student" means a child who:

26 (1) (A) Qualifies as an at-risk pupil as defined in ~~K.S.A. 72-6407,~~
27 ~~prior to its repeal, section 4, and amendments thereto,~~ and who is attending
28 a public school; or (B) has been eligible to receive an educational
29 scholarship under this program and has not graduated from high school or
30 reached 21 years of age;

31 (2) resides in Kansas while eligible for an educational scholarship;
32 and

33 (3) (A) was enrolled in any public school in the previous school year
34 in which an educational scholarship is first sought for the child; or (B) is
35 eligible to be enrolled in any public school in the school year in which an
36 educational scholarship is first sought for the child and the child is under
37 the age of six years.

38 (e) "Parent" includes a guardian, custodian or other person with
39 authority to act on behalf of the child.

40 (f) "Program" means the tax credit for low income students
41 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
42 72-99a07, and amendments thereto.

43 (g) "Public school" means a school that would qualify as either a title

1 I focus school or a title I priority school as described by the state board
2 under the elementary and secondary education act flexibility waiver as
3 amended in January 2013 and is operated by a school district.

4 (h) "Qualified school" means any nonpublic school that provides
5 education to elementary or secondary students, has notified the state board
6 of its intention to participate in the program and complies with the
7 requirements of the program.

8 (i) "Scholarship granting organization" means an organization that
9 complies with the requirements of this program and provides educational
10 scholarships to eligible students or to qualified schools in which parents
11 have enrolled eligible students.

12 (j) "School district" or "district" means any unified school district
13 organized and operating under the laws of this state.

14 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~
15 ~~2016 Supp. 72-6464 section 4~~, and amendments thereto.

16 (l) "Secretary" means the secretary of revenue.

17 (m) "State board" means the state board of education.

18 Sec. 94. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as
19 follows: 74-4939a. On and after the effective date of this act for each fiscal
20 year commencing with fiscal year 2005, notwithstanding the provisions of
21 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys
22 appropriated for the department of education from the state general fund
23 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,
24 by appropriation act of the legislature, in the KPERS — employer
25 contributions account and all moneys appropriated for the department of
26 education from the state general fund or any special revenue fund for each
27 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year
28 thereafter, by any such appropriation act in that account or any other
29 account for payment of employer contributions for school districts, shall
30 be distributed by the department of education to school districts in
31 accordance with this section. ~~Notwithstanding the provisions of K.S.A. 74-~~
32 ~~4939, and amendments thereto, for school year 2015-2016, the department~~
33 ~~of education shall disburse to each school district that is an eligible~~
34 ~~employer as specified in K.S.A. 74-4931(1), and amendments thereto, an~~
35 ~~amount in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~
36 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~
37 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~
38 ~~of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,~~
39 ~~the department of education shall disburse to each school district that is an~~
40 ~~eligible employer as specified in K.S.A. 74-4931(1), and amendments~~
41 ~~thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),~~
42 ~~and amendments thereto, which shall be disbursed pursuant to K.S.A.~~
43 ~~2016 Supp. 72-6465, and amendments thereto. Notwithstanding the~~

1 *provisions of K.S.A. 74-4939, and amendments thereto, the department of*
2 *education shall disburse to each school district that is an eligible*
3 *employer as specified in K.S.A. 74-4931(1), and amendments thereto, an*
4 *amount certified by the board of trustees of the Kansas public employees*
5 *retirement system that is equal to the participating employer's obligation*
6 *of such school district to the system in accordance with policies and*
7 *procedures that are hereby authorized and directed to be adopted by the*
8 *department of education for the purposes of this section and in accordance*
9 *with any requirements prescribed by the board of trustees of the Kansas*
10 *public employees retirement system. Upon receipt of each such*
11 *disbursement of moneys, the school district shall deposit the entire amount*
12 *thereof into a special retirement contributions fund of the school district,*
13 *which shall be established by the school district in accordance with such*
14 *policies and procedures and which shall be used for the sole purpose of*
15 *receiving such disbursements from the department of education and*
16 *making the remittances to the system in accordance with this section and*
17 *such policies and procedures. Upon receipt of each such disbursement of*
18 *moneys from the department of education, the school district shall remit,*
19 *in accordance with the provisions of such policies and procedures and in*
20 *the manner and on the date or dates prescribed by the board of trustees of*
21 *the Kansas public employees retirement system, an equal amount to the*
22 *Kansas public employees retirement system from the special retirement*
23 *contributions fund of the school district to satisfy such school district's*
24 *obligation as a participating employer. Notwithstanding the provisions of*
25 *K.S.A. 74-4939, and amendments thereto, each school district that is an*
26 *eligible employer as specified in K.S.A. 74-4931(1), and amendments*
27 *thereto, shall show within the budget of such school district all amounts*
28 *received from disbursements into the special retirement contributions fund*
29 *of such school district. Notwithstanding the provisions of any other statute,*
30 *no official action of the school board of such school district shall be*
31 *required to approve a remittance to the system in accordance with this*
32 *section and such policies and procedures. All remittances of moneys to the*
33 *system by a school district in accordance with this subsection and such*
34 *policies and procedures shall be deemed to be expenditures of the school*
35 *district.*

36 Sec. 95. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as
37 follows: 74-8925. (a) For the purposes of this act, the term "taxing
38 subdivision" shall include the county, the city, the unified school district
39 and any other taxing subdivision levying real property taxes, the territory
40 or jurisdiction of which includes any currently existing or subsequently
41 created redevelopment district. The term "real property taxes" includes all
42 taxes levied on an ad valorem basis upon land and improvements thereon,
43 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~

1 ~~2016 Supp. 72-6470~~ *section 14*, and amendments thereto, or any other
2 property tax levied by or on behalf of a school district.

3 (b) All tangible taxable property located within a redevelopment
4 district shall be assessed and taxed for ad valorem tax purposes pursuant to
5 law in the same manner that such property would be assessed and taxed if
6 located outside such district, and all ad valorem taxes levied on such
7 property shall be paid to and collected by the county treasurer in the same
8 manner as other taxes are paid and collected. Except as otherwise provided
9 in this section, the county treasurer shall distribute such taxes as may be
10 collected in the same manner as if such property were located outside a
11 redevelopment district. Each redevelopment district established under the
12 provisions of this act shall constitute a separate taxing unit for the purpose
13 of the computation and levy of taxes.

14 (c) Beginning with the first payment of taxes which are levied
15 following the date of approval of any redevelopment district established
16 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes
17 received by the county treasurer resulting from taxes which are levied
18 subject to the provisions of this act by and for the benefit of a taxing
19 subdivision, as herein defined, on property located within such
20 redevelopment district constituting a separate taxing unit under the
21 provisions of this section, shall be divided as follows:

22 (1) From the taxes levied each year subject to the provisions of this
23 act by or for each of the taxing subdivisions upon property located within a
24 redevelopment district constituting a separate taxing unit under the
25 provisions of this act, the county treasurer first shall allocate and pay to
26 each such taxing subdivision all of the real property taxes collected which
27 are produced from that portion of the current assessed valuation of such
28 real property located within such separate taxing unit which is equal to the
29 total assessed value of such real property on the date of the establishment
30 of the redevelopment district.

31 (2) Any real property taxes produced from that portion of the current
32 assessed valuation of real property within the redevelopment district
33 constituting a separate taxing unit under the provisions of this section in
34 excess of an amount equal to the total assessed value of such real property
35 on the effective date of the establishment of the district shall be allocated
36 and paid by the county treasurer according to specified percentages of the
37 tax increment expressly agreed upon and consented to by the governing
38 bodies of the county and school district in which the redevelopment
39 district is located. The amount of the real property taxes allocated and
40 payable to the authority under the agreement shall be paid by the county
41 treasurer to the treasurer of the state. The remaining amount of the real
42 property taxes not payable to the authority shall be allocated and paid in
43 the same manner as other ad valorem taxes. Any real property taxes paid to

1 the state treasurer under this section shall be deposited in the
2 redevelopment bond finance fund of the authority which is created
3 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of
4 any approved redevelopment project, including the payment of principal of
5 and interest on any bonds issued by the authority to finance, in whole or in
6 part, such project. When such bonds and interest thereon have been paid,
7 all moneys thereafter received from real property taxes within such
8 redevelopment district shall be allocated and paid to the respective taxing
9 subdivisions in the same manner as are other ad valorem taxes. If such
10 bonds and interest thereon have been paid before the completion of a
11 project, the authority may continue to use such moneys for any purpose
12 authorized by the redevelopment agreement until such time as the project
13 costs are paid or reimbursed, but for a period not to exceed the final
14 scheduled maturity of the bonds.

15 (d) In any redevelopment plan or in the proceedings for the issuing of
16 any bonds by the authority to finance a project, the property tax increment
17 portion of taxes provided for in subsection (c)(2) may be irrevocably
18 pledged for the payment of the principal of and interest on such bonds. The
19 authority may adopt a redevelopment plan in which only a specified
20 percentage of the tax increment realized from taxpayers in the
21 redevelopment district is pledged to the payment of costs.

22 Sec. 96. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as
23 follows: 74-99b43. (a) The Kansas development finance authority is
24 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-
25 8901 et seq., and amendments thereto, in one or more series to finance the
26 undertaking of any bioscience development project in accordance with the
27 provisions of this act. No special obligation bonds may be issued pursuant
28 to this section unless the Kansas development finance authority has
29 received a resolution of the board of the authority requesting the issuance
30 of such bonds. Such special obligation bonds shall be made payable, both
31 as to principal and interest from one or more of the following, as directed
32 by the authority:

33 (1) From ad valorem tax increments allocated to, and paid into the
34 bioscience development bond fund for the payment of the project costs of
35 a bioscience development project under the provisions of this section;

36 (2) from any private sources, contributions or other financial
37 assistance from the state or federal government;

38 (3) from a pledge of a portion or all of the revenue received from
39 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et
40 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments
41 thereto, and which are collected from taxpayers doing business within that
42 portion of the bioscience development district and paid into the bioscience
43 development bond fund;

1 (4) from a pledge of a portion or all increased revenue received by
2 any city from franchise fees collected from utilities and other businesses
3 using public right-of-way within the bioscience development district; or

4 (5) by any combination of these methods.

5 (b) All tangible taxable property located within a bioscience
6 development district shall be assessed and taxed for ad valorem tax
7 purposes pursuant to law in the same manner that such property would be
8 assessed and taxed if located outside such district, and all ad valorem taxes
9 levied on such property shall be paid to and collected by the county
10 treasurer in the same manner as other taxes are paid and collected. Except
11 as otherwise provided in this section, the county treasurer shall distribute
12 such taxes as may be collected in the same manner as if such property
13 were located outside a bioscience development district. Each bioscience
14 development district established under the provisions of this act shall
15 constitute a separate taxing unit for the purpose of the computation and
16 levy of taxes.

17 (c) Beginning with the first payment of taxes which are levied
18 following the date of the establishment of the bioscience development
19 district real property taxes received by the county treasurer resulting from
20 taxes which are levied subject to the provisions of this act by and for the
21 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,
22 and amendments thereto, on property located within such bioscience
23 development district constituting a separate taxing unit under the
24 provisions of this section, shall be divided as follows:

25 (1) From the taxes levied each year subject to the provisions of this
26 act by or for each of the taxing subdivisions upon property located within a
27 bioscience development district constituting a separate taxing unit under
28 the provisions of this act, the county treasurer first shall allocate and pay to
29 each such taxing subdivision all of the real property taxes collected which
30 are produced from the base year assessed valuation.

31 (2) Any real property taxes, except for property taxes levied for
32 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and
33 amendments thereto, produced from that portion of the current assessed
34 valuation of real property within the bioscience development district
35 constituting a separate taxing unit under the provisions of this section in
36 excess of the base year assessed valuation shall be allocated and paid by
37 the county treasurer to the bioscience development bond fund to pay the
38 bioscience development project costs including the payment of principal
39 and interest on any special obligation bonds to finance, in whole or in part,
40 such bioscience development projects.

41 (d) The authority may pledge the bioscience development bond fund
42 or other available revenue to the repayment of such special obligation
43 bonds prior to, simultaneously with, or subsequent to the issuance of such

1 special obligation bonds.

2 (e) Any bonds issued under the provisions of this act and the interest
3 paid thereon, unless specifically declared to be taxable in the authorizing
4 resolution of the Kansas development finance authority, shall be exempt
5 from all state, county and municipal taxes, and the exemption shall include
6 income, estate and property taxes.

7 Sec. 97. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as
8 follows: 75-2319. (a) There is hereby established in the state treasury the
9 school district capital improvements fund. The fund shall consist of all
10 amounts transferred thereto under the provisions of subsection (c).

11 (b) In each school year, each school district which is obligated to
12 make payments from its capital improvements fund shall be entitled to
13 receive payment from the school district capital improvements fund in an
14 amount determined by the state board of education as provided in this
15 subsection.

16 ~~(+)~~—For general obligation bonds approved for issuance at an election
17 held prior to July 1, 2015, *or on or after July 1, 2017*, the state board of
18 education shall:

19 ~~(A)~~ (1) Determine the amount of the assessed valuation per pupil
20 (AVPP) of each school district in the state and round such amount to the
21 nearest \$1,000. The rounded amount is the AVPP of a school district for
22 the purposes of this subsection ~~(b)(+)~~;

23 ~~(B)~~ (2) determine the median AVPP of all school districts;

24 ~~(C)~~ (3) prepare a schedule of dollar amounts using the amount of the
25 median AVPP of all school districts as the point of beginning. The
26 schedule of dollar amounts shall range upward in equal \$1,000 intervals
27 from the point of beginning to and including an amount that is equal to the
28 amount of the AVPP of the school district with the highest AVPP of all
29 school districts and shall range downward in equal \$1,000 intervals from
30 the point of beginning to and including an amount that is equal to the
31 amount of the AVPP of the school district with the lowest AVPP of all
32 school districts;

33 ~~(D)~~ (4) determine a state aid percentage factor for each school district
34 by assigning a state aid computation percentage to the amount of the
35 median AVPP shown on the schedule, decreasing the state aid computation
36 percentage assigned to the amount of the median AVPP by one percentage
37 point for each \$1,000 interval above the amount of the median AVPP, and
38 increasing the state aid computation percentage assigned to the amount of
39 the median AVPP by one percentage point for each \$1,000 interval below
40 the amount of the median AVPP. Except as provided by K.S.A. 2016 Supp.
41 75-2319c, and amendments thereto, the state aid percentage factor of a
42 school district is the percentage assigned to the schedule amount that is
43 equal to the amount of the AVPP of the school district. The state aid

1 percentage factor of a school district shall not exceed 100%. The state aid
2 computation percentage is 25%;

3 ~~(E) (5) determine the amount of payments that a school district is~~
4 ~~obligated to make from its bond and interest fund attributable to general~~
5 ~~obligation bonds approved for issuance at an election held prior to July 1,~~
6 ~~2015, or on or after July 1, 2017; and~~

7 ~~(F) (6) multiply the amount determined under subsection (b)(1)(E)-~~
8 ~~(5) by the applicable state aid percentage factor. The amount of the product~~
9 ~~is the amount of payment the school district is entitled to receive from the~~
10 ~~school district capital improvements fund in the school year.~~

11 ~~(2) For general obligation bonds approved for issuance at an election~~
12 ~~held on or after July 1, 2015, the state board of education shall:~~

13 ~~(A) Determine the amount of the AVPP of each school district in the~~
14 ~~state and round such amount to the nearest \$1,000. The rounded amount is~~
15 ~~the AVPP of a school district for the purposes of this subsection (b)(2);~~

16 ~~(B) prepare a schedule of dollar amounts using the amount of the~~
17 ~~AVPP of the school district with the lowest AVPP of all school districts as~~
18 ~~the point of beginning. The schedule of dollar amounts shall range upward~~
19 ~~in equal \$1,000 intervals from the point of beginning to and including an~~
20 ~~amount that is equal to the amount of the AVPP of the school district with~~
21 ~~the highest AVPP of all school districts;~~

22 ~~(C) determine a state aid percentage factor for each school district by~~
23 ~~assigning a state aid computation percentage to the amount of the lowest~~
24 ~~AVPP shown on the schedule and decreasing the state aid computation~~
25 ~~percentage assigned to the amount of the lowest AVPP by one percentage~~
26 ~~point for each \$1,000 interval above the amount of the lowest AVPP.~~
27 ~~Except as provided by K.S.A. 2016 Supp. 75-2319c, and amendments~~
28 ~~thereto, the state aid percentage factor of a school district is the percentage~~
29 ~~assigned to the schedule amount that is equal to the amount of the AVPP of~~
30 ~~the school district. The state aid computation percentage is 75%;~~

31 ~~(D) determine the amount of payments that a school district is~~
32 ~~obligated to make from its bond and interest fund attributable to general~~
33 ~~obligation bonds approved for issuance at an election held on or after July~~
34 ~~1, 2015; and~~

35 ~~(E) multiply the amount determined under subsection (b)(2)(D) by~~
36 ~~the applicable state aid percentage factor.~~

37 ~~(3) For general obligation bonds approved for issuance at an election~~
38 ~~held on or before June 30, 2016, the sum of the amount determined under~~
39 ~~subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)~~
40 ~~is the amount of payment the school district is entitled to receive from the~~
41 ~~school district capital improvements fund in the school year.~~

42 ~~(4) For general obligation bonds approved for issuance at an election~~
43 ~~held on or after July 1, 2016, the amount determined under subsection (b)~~

1 ~~(2)(E) is the amount of payment the school district shall receive from the~~
2 ~~school district capital improvements fund in the school year, except the~~
3 ~~total amount of payments school districts receive from the school district~~
4 ~~capital improvements fund in the school year for such bonds shall not~~
5 ~~exceed the six-year average amount of capital improvement state aid as~~
6 ~~determined by the state board of education.~~

7 ~~(A) The state board of education shall determine the six-year average~~
8 ~~amount of capital improvement state aid by calculating the average of the~~
9 ~~total amount of moneys expended per year from the school district capital~~
10 ~~improvements fund in the immediately preceding six fiscal years, not to~~
11 ~~include the current fiscal year.~~

12 ~~(B) (i) Subject to clause (ii), the state board of education shall~~
13 ~~prioritize the allocations to school districts from the school district capital~~
14 ~~improvements fund in accordance with the priorities set forth as follows~~
15 ~~in order of highest priority to lowest priority:~~

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

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

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

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

29 ~~(ii) In allocating capital improvement state aid, the state board shall~~
30 ~~give higher priority to those school districts with a lower AVPP compared~~
31 ~~to the other school districts that are to receive capital improvement state~~
32 ~~aid under this section.~~

33 ~~(C) On and after July 1, 2016, the state board of education shall~~
34 ~~approve the amount of state aid payments a school district shall receive~~
35 ~~from the school district capital improvements fund pursuant to subsection~~
36 ~~(b)(5) prior to an election to approve the issuance of general obligation~~
37 ~~bonds.~~

38 ~~(5) The sum of the amounts determined under subsection (b)(3) and~~
39 ~~the amount determined or allocated to the district by the state board of~~
40 ~~education pursuant to subsection (b)(4), is the amount of payment the~~
41 ~~school district is entitled to receive from the school district capital~~
42 ~~improvements fund in the school year.~~

43 ~~(c) The state board of education shall certify to the director of~~

1 accounts and reports the entitlements of school districts determined under
2 the provisions of subsection (b), and an amount equal thereto shall be
3 transferred by the director from the state general fund to the school district
4 capital improvements fund for distribution to school districts. All transfers
5 made in accordance with the provisions of this subsection shall be
6 considered to be demand transfers from the state general fund, except that
7 all such transfers during the fiscal years ending June 30, 2013, June 30,
8 2014, June 30, 2015, and June 30, 2016, shall be considered to be revenue
9 transfers from the state general fund.

10 (d) Payments from the school district capital improvements fund shall
11 be distributed to school districts at times determined by the state board of
12 education to be necessary to assist school districts in making scheduled
13 payments pursuant to contractual bond obligations. The state board of
14 education shall certify to the director of accounts and reports the amount
15 due each school district entitled to payment from the fund, and the director
16 of accounts and reports shall draw a warrant on the state treasurer payable
17 to the treasurer of the school district. Upon receipt of the warrant, the
18 treasurer of the school district shall credit the amount thereof to the bond
19 and interest fund of the school district to be used for the purposes of such
20 fund.

21 (e) The provisions of this section apply only to contractual
22 obligations incurred by school districts pursuant to general obligation
23 bonds issued upon approval of a majority of the qualified electors of the
24 school district voting at an election upon the question of the issuance of
25 such bonds.

26 ~~(f) On or before the first day of the legislative session in 2017, and~~
27 ~~each year thereafter, the state board of education shall prepare and submit~~
28 ~~a report to the legislature that includes information on school district~~
29 ~~elections held on or after July 1, 2016, to approve the issuance of general~~
30 ~~obligation bonds and the amount of payments school districts were~~
31 ~~approved to receive from the school district capital improvements fund~~
32 ~~pursuant to subsection (b)(4)(C) Amounts transferred to the capital~~
33 ~~improvements fund of a school district as authorized by section 15, and~~
34 ~~amendments thereto, shall not be included in the computation when~~
35 ~~determining the amount of state aid to which a school district is entitled to~~
36 ~~receive under this section.~~

37 Sec. 98. K.S.A. 2016 Supp. 79-201x is hereby amended to read as
38 follows: 79-201x. For taxable years ~~2015 and 2016~~ 2017 and 2018, the
39 following described property, to the extent herein specified, shall be and is
40 hereby exempt from the property tax levied pursuant to the provisions of
41 ~~K.S.A. 2016 Supp. 72-6470~~ section 14, and amendments thereto: Property
42 used for residential purposes to the extent of \$20,000 of its appraised
43 valuation.

1 Sec. 99. K.S.A. 2016 Supp. 79-213 is hereby amended to read as
2 follows: 79-213. (a) Any property owner requesting an exemption from the
3 payment of ad valorem property taxes assessed, or to be assessed, against
4 their property shall be required to file an initial request for exemption, on
5 forms approved by the state board of tax appeals and provided by the
6 county appraiser.

7 (b) The initial exemption request shall identify the property for which
8 the exemption is requested and state, in detail, the legal and factual basis
9 for the exemption claimed.

10 (c) The request for exemption shall be filed with the county appraiser
11 of the county where such property is principally located.

12 (d) After a review of the exemption request, and after a preliminary
13 examination of the facts as alleged, the county appraiser shall recommend
14 that the exemption request either be granted or denied, and, if necessary,
15 that a hearing be held. If a denial is recommended, a statement of the
16 controlling facts and law relied upon shall be included on the form.

17 (e) The county appraiser, after making such written recommendation,
18 shall file the request for exemption and the recommendations of the county
19 appraiser with the state board of tax appeals. With regard to a request for
20 exemption from property tax pursuant to the provisions of K.S.A. 79-201g
21 and 82a-409, and amendments thereto, not filed with the board of tax
22 appeals by the county appraiser on or before the effective date of this act,
23 if the county appraiser recommends the exemption request be granted, the
24 exemption shall be provided in the amount recommended by the county
25 appraiser and the county appraiser shall not file the request for exemption
26 and recommendations of the county appraiser with the state board of tax
27 appeals. The county clerk or county assessor shall annually make such
28 adjustment in the taxes levied against the real property as the owner may
29 be entitled to receive under the provisions of K.S.A. 79-201g, and
30 amendments thereto, as recommended by the county appraiser, beginning
31 with the first period, following the date of issue of the certificate of
32 completion on which taxes are regularly levied, and during the years
33 which the landowner is entitled to such adjustment.

34 (f) Upon receipt of the request for exemption, the board shall docket
35 the same and notify the applicant and the county appraiser of such fact.

36 (g) After examination of the request for exemption and the county
37 appraiser's recommendation related thereto, the board may fix a time and
38 place for hearing, and shall notify the applicant and the county appraiser of
39 the time and place so fixed. A request for exemption pursuant to: (1)
40 Section 13 of article 11 of the constitution of the state of Kansas; or (2)
41 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed
42 or purchased, in whole or in part, with the proceeds of revenue bonds
43 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and

1 amendments thereto, prepared in accordance with instructions and
2 assistance which shall be provided by the department of commerce, shall
3 be deemed approved unless scheduled for hearing within 30 days after the
4 date of receipt of all required information and data relating to the request
5 for exemption, and such hearing shall be conducted within 90 days after
6 such date. Such time periods shall be determined without regard to any
7 extension or continuance allowed to either party to such request. In any
8 case where a party to such request for exemption requests a hearing
9 thereon, the same shall be granted. Hearings shall be conducted in
10 accordance with the provisions of the Kansas administrative procedure act.
11 In all instances where the board sets a request for exemption for hearing,
12 the county shall be represented by its county attorney or county counselor.

13 (h) Except as otherwise provided by subsection (g), in the event of a
14 hearing, the same shall be originally set not later than 90 days after the
15 filing of the request for exemption with the board.

16 (i) During the pendency of a request for exemption, no person, firm,
17 unincorporated association, company or corporation charged with real
18 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
19 2004a, and amendments thereto, on the tax books in the hands of the
20 county treasurer shall be required to pay the tax from the date the request
21 is filed with the county appraiser until the expiration of 30 days after the
22 board issued its order thereon and the same becomes a final order. In the
23 event that taxes have been assessed against the subject property, no interest
24 shall accrue on any unpaid tax for the year or years in question nor shall
25 the unpaid tax be considered delinquent from the date the request is filed
26 with the county appraiser until the expiration of 30 days after the board
27 issued its order thereon. In the event the board determines an application
28 for exemption is without merit and filed in bad faith to delay the due date
29 of the tax, the tax shall be considered delinquent as of the date the tax
30 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and
31 amendments thereto, and interest shall accrue as prescribed therein.

32 (j) In the event the board grants the initial request for exemption, the
33 same shall be effective beginning with the date of first exempt use except
34 that, with respect to property the construction of which commenced not to
35 exceed 24 months prior to the date of first exempt use, the same shall be
36 effective beginning with the date of commencement of construction.

37 (k) In conjunction with its authority to grant exemptions, the board
38 shall have the authority to abate all unpaid taxes that have accrued from
39 and since the effective date of the exemption. In the event that taxes have
40 been paid during the period where the subject property has been
41 determined to be exempt, the board shall have the authority to order a
42 refund of taxes for the year immediately preceding the year in which the
43 exemption application is filed in accordance with subsection (a).

1 (1) The provisions of this section shall not apply to: (1) Farm
2 machinery and equipment exempted from ad valorem taxation by K.S.A.
3 79-201j, and amendments thereto; (2) personal property exempted from ad
4 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
5 apparel, household goods and personal effects exempted from ad valorem
6 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
7 property exempted from ad valorem taxation by K.S.A. 79-201d, and
8 amendments thereto; (6) merchants' and manufacturers' inventories
9 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
10 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
11 and amendments thereto; (8) property exempted from ad valorem taxation
12 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all
13 property previously acquired by the secretary of transportation or a
14 predecessor in interest, which is used in the administration, construction,
15 maintenance or operation of the state system of highways. The secretary of
16 transportation shall at the time of acquisition of property notify the county
17 appraiser in the county in which the property is located that the acquisition
18 occurred and provide a legal description of the property acquired; (9)
19 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,
20 and amendments thereto, including all property previously acquired by the
21 Kansas turnpike authority which is used in the administration,
22 construction, maintenance or operation of the Kansas turnpike. The Kansas
23 turnpike authority shall at the time of acquisition of property notify the
24 county appraiser in the county in which the property is located that the
25 acquisition occurred and provide a legal description of the property
26 acquired; (10) aquaculture machinery and equipment exempted from ad
27 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
28 this section, "aquaculture" has the same meaning ascribed thereto by
29 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
30 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
31 amendments thereto; (12) property used exclusively by the state or any
32 municipality or political subdivision of the state for right-of-way purposes.
33 The state agency or the governing body of the municipality or political
34 subdivision shall at the time of acquisition of property for right-of-way
35 purposes notify the county appraiser in the county in which the property is
36 located that the acquisition occurred and provide a legal description of the
37 property acquired; (13) machinery, equipment, materials and supplies
38 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments
39 thereto; (14) vehicles owned by the state or by any political or taxing
40 subdivision thereof and used exclusively for governmental purposes; (15)
41 property used for residential purposes which is exempted pursuant to
42 K.S.A. 79-201x, and amendments thereto, from the property tax levied
43 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments

1 thereto; (16) from and after July 1, 1998, vehicles which are owned by an
2 organization having as one of its purposes the assistance by the provision
3 of transit services to the elderly and to disabled persons and which are
4 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)
5 from and after July 1, 1998, motor vehicles exempted from taxation by
6 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and
7 industrial machinery and equipment exempted from property or ad
8 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;
9 (19) telecommunications machinery and equipment and railroad
10 machinery and equipment exempted from property or ad valorem taxation
11 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property
12 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-
13 234, and amendments thereto.

14 (m) The provisions of this section shall apply to property exempt
15 pursuant to the provisions of section 13 of article 11 of the constitution of
16 the state of Kansas.

17 (n) The provisions of subsection (k) as amended by this act shall be
18 applicable to all exemption applications filed in accordance with
19 subsection (a) after December 31, 2001.

20 Sec. 100. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as
21 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll
22 of the county, the treasurer shall enter in a column opposite the description
23 of each tract or parcel of land the amount of unpaid taxes and the date of
24 unredeemed sales, if any, for previous years on such land. The treasurer
25 shall cause a notice to be published in the official county paper once each
26 week for three consecutive weeks, stating in the notice the amount of taxes
27 charged for state, county, township, school, city or other purposes for that
28 year, on each \$1,000 of valuation.

29 (b) Each year after receipt of the tax roll from the county clerk and
30 before December 15, the treasurer shall mail to each taxpayer, as shown by
31 the rolls, a tax statement which indicates the taxing unit, assessed value of
32 real and personal property, the mill levy and tax due. In addition, with
33 respect to land devoted to agricultural use, such statement shall indicate
34 the acreage and description of each parcel of such land. The tax statement
35 shall also indicate separately each parcel of real property which is
36 separately classified for property tax purposes. The county appraiser shall
37 provide the information necessary for the county treasurer to comply with
38 the provisions of this section. The tax statement also may include the
39 intangible tax due the county. All items may be on one statement or may
40 be shown on separate statements and may be on a form prescribed by the
41 county treasurer. The statement shall be mailed to the last known address
42 of the taxpayer or to a designee authorized by the taxpayer to accept the
43 tax statement, if the designee has an interest in receiving the statement.

1 When any statement is returned to the county treasurer for failure to find
2 the addressee, the treasurer shall make a diligent effort to find a
3 forwarding address of the taxpayer and mail the statement to the new
4 address. All tax statements mailed pursuant to this section shall be mailed
5 by first-class mail. The requirement for mailing a tax statement shall
6 extend only to the initial statement required to be mailed in each year and
7 to any follow-up required by this section.

8 (c) For tax year 1998, and all tax years thereafter, after receipt of the
9 tax roll from the county clerk and before December 15, the treasurer shall
10 mail to each taxpayer, as shown by the tax rolls, a tax information form
11 which indicates the taxing unit, assessed value of real property for the
12 current and next preceding taxable year, the mill levy for the current and
13 next preceding taxable year and, in the case of unified school districts, the
14 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ section 14, and
15 amendments thereto, shall be separately indicated, the tax due and an
16 itemization of each taxing unit's mill levy for the current and next
17 preceding taxable year and the percentage change in the amount of
18 revenue produced therefrom, if any. In addition, with respect to land
19 devoted to agricultural use, such form shall indicate the acreage and
20 description of each parcel of such land. The tax information form shall
21 also indicate separately each parcel of real property which is separately
22 classified for property tax purposes. The county appraiser shall provide the
23 information necessary for the county treasurer to comply with the
24 provisions of this section. The tax information form may be separate from
25 the tax statement or a part of the tax statement. The tax information form
26 shall be in a format prescribed by the director of property valuation. The
27 tax information form shall be mailed to the last known address of the
28 taxpayer. When a tax information form is returned to the county treasurer
29 for failure to find the addressee, the treasurer shall make a diligent effort to
30 find a forwarding address of the taxpayer and mail the tax information
31 form to the new address. All tax information forms mailed pursuant to this
32 section shall be mailed by first class mail.

33 Sec. 101. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as
34 follows: 79-2925b. (a) Without a majority vote so providing, the governing
35 body of any municipality shall not approve any appropriation or budget, as
36 the case requires, which may be funded by revenue produced from
37 property taxes, and which provides for funding with such revenue in an
38 amount exceeding that of the next preceding year, adjusted to reflect
39 changes in the consumer price index for all urban consumers as published
40 by the United States department of labor for the preceding calendar year. If
41 the total tangible property valuation in any municipality increases from the
42 next preceding year due to increases in the assessed valuation of existing
43 tangible property and such increase exceeds changes in the consumer price

1 index, the governing body shall lower the amount of ad valorem tax to be
2 levied to the amount of ad valorem tax levied in the next preceding year,
3 adjusted to reflect changes in the consumer price index. This subsection
4 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-
5 6b04 and ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto,
6 and any other ad valorem tax levy which was previously approved by the
7 voters of such municipality. Notwithstanding the requirements of this
8 subsection, nothing herein shall prohibit a municipality from increasing
9 the amount of ad valorem tax to be levied if the municipality approves the
10 proposed increase with a majority vote of the governing body by the
11 adoption of a resolution and publishes its vote to approve the appropriation
12 or budget including the increase as provided in subsection (c).

13 (b) Revenue that, in the current year, is produced and attributable to
14 the taxation of:

15 (1) New improvements to real property;
16 (2) increased personal property valuation;
17 (3) property located within added jurisdictional territory; or
18 (4) property which has changed in use shall not be considered when
19 determining whether revenue produced from property has increased from
20 the next preceding year.

21 (c) In the event the governing body votes to approve any
22 appropriation or budget, as the case requires, which may be funded by
23 revenue produced from property taxes, and which provides for funding
24 with such revenue in an amount exceeding that of the next preceding year
25 as provided in subsection (a), notice of such vote shall be published in the
26 official county newspaper of the county where such municipality is
27 located.

28 (d) The provisions of this section shall be applicable to all fiscal and
29 budget years commencing on and after the effective date of this act.

30 (e) The provisions of this section shall not apply to revenue received
31 from property tax levied for the sole purpose of repayment of the principal
32 of and interest upon bonded indebtedness, temporary notes and no-fund
33 warrants.

34 (f) For purposes of this section:

35 (1) "Municipality" means any political subdivision of the state which
36 levies an ad valorem tax on property and includes, but is not limited to,
37 any township, municipal university, school district, community college,
38 drainage district or other taxing district;

39 (2) "municipality" shall not include:

40 (A) Any such political subdivision or taxing district which receives
41 \$1,000 or less in revenue from property taxes in the current year; or

42 (B) any city or county.

43 Sec. 102. If any fund or account name described by words and the

1 numerical accounting code that follows such fund or account name do not
2 match, it shall be conclusively presumed that the legislature intended that
3 the fund or account name described by words is the correct fund or
4 account name, and such fund or account name described by words shall
5 control over a contradictory or incorrect numerical accounting code.

6 Sec. 103. K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-
7 1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607,
8 72-3711, 72-3712, 72-3715, 72-5333b, 72-6482, 72-64b01, 72-64c03, 72-
9 64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-7535, 72-
10 8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8237, 72-8249, 72-8250,
11 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-8804, 72-8908, 72-
12 9509, 72-9609, 72-99a02, 74-4939a, 74-8925, 74-99b43, 75-2319, 79-
13 201x, 79-213, 79-2001 and 79-2925b are hereby repealed.

14 Sec. 104. This act shall take effect and be in force from and after its
15 publication in the statute book.