

HOUSE BILL No. 2346

By Committee on K-12 Education Budget

2-10

1 AN ACT concerning education; relating to the financing thereof; making
2 and concerning appropriations for the fiscal year ending June 30, 2018,
3 for the department of education; amending K.S.A. 2016 Supp. 12-
4 1776a and 75-6704 and repealing the existing sections; also repealing
5 K.S.A. 2016 Supp. 72-6482, 72-8190, 75-2319, 75-2319c, 75-2319d
6 and 75-2321.

7
8 *Be it enacted by the Legislature of the State of Kansas:*
9 Section 1.

10 DEPARTMENT OF EDUCATION

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

13 School district state aid.....\$4,075,118,662

14 Sec. 2. (a) The state school district finance fund, established by
15 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in
16 existence and shall consist of: (1) All moneys credited to such fund under
17 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and
18 (2) all amounts transferred to such fund under sections 7, 10, 11 and 12,
19 and amendments thereto.

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

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

28 Sec. 3. In each school year, the state board of education shall
29 determine entitlement of each school district to state aid for the school
30 year. The state board shall determine the amount of general state aid and
31 equalization state aid each school district is to receive. All state aid shall
32 be distributed in such manner as to ensure that each school district is
33 capable of meeting the legislature's goal as set forth in K.S.A. 2016 Supp.
34 72-1127(c), and amendments thereto. The state board shall distribute
35 equalization state aid in such manner as to afford each school district
36 reasonably equal access to substantially similar educational opportunity

1 through similar tax effort. Such equalization state aid shall be distributed
2 so as to equalize the tax levy authority of school districts under K.S.A. 72-
3 8801 and section 9, and amendments thereto, and payments from school
4 districts' bond and interest funds for general obligation bonds.

5 Sec. 4. (a) The distribution of state aid under this act shall be made in
6 accordance with appropriation acts each year as provided in this section.

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

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

20 (c) The state board of education shall prescribe the dates upon which
21 the distribution of payments of state aid to school districts shall be due.
22 Payments of state aid shall be distributed to school districts once each
23 month on the dates prescribed by the state board. The state board shall
24 certify to the director of accounts and reports the amount due as state aid
25 to each school district in each of the months of July through June. Such
26 certification, and the amount of state aid payable from the state general
27 fund, shall be approved by the director of the budget. The director of
28 accounts and reports shall draw warrants on the state treasury payable to
29 the school district treasurer of each school district entitled to payment of
30 state aid, pursuant to vouchers approved by the state board. Upon receipt
31 of such warrant, each school district treasurer shall deposit the amount of
32 state aid in the general fund.

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

41 Sec. 5. In the event any school district is paid more than it is entitled
42 to receive under any distribution made under this act or under any statute
43 repealed by this act, the state board of education shall notify the school

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

14 Sec. 6. (a) At such time as required by the state board of education,
15 the clerk or superintendent of each school district shall certify under oath
16 to the state board a report showing the total enrollment of the school
17 district by grades maintained in the schools of the school district and such
18 other reports as the state board may require. Each such report also shall
19 show such enrollments based on student demographics as may be required
20 by the state board. Upon receipt of such reports, the state board shall
21 examine the reports and if the state board finds any error in any such
22 report, the state board shall consult with the school district officer
23 furnishing the report and make any necessary corrections in the report.

24 (b) At such time as required by the state board of education, the clerk
25 or superintendent of each school district shall certify under oath to the
26 state board a copy of the budget adopted by the school district.

27 Sec. 7. (a) The board of education of each school district shall levy an
28 ad valorem tax upon the taxable tangible property of the school district at a
29 rate of 20 mills in school year 2017-2018 and school year 2018-2019 for
30 the purposes of:

31 (1) Paying a portion of the costs of operating and maintaining public
32 schools in partial fulfillment of the constitutional obligation of the
33 legislature to finance the educational interests of the state; and

34 (2) with respect to any redevelopment district established prior to July
35 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a
36 portion of the principal and interest on bonds issued by cities under
37 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
38 redevelopment projects upon property located within the district.

39 (b) Except for that portion of the proceeds used for the purpose
40 specified in subsection (a)(2), the proceeds from the tax levied by a school
41 district under authority of this section shall be remitted to the state
42 treasurer in accordance with the provisions of K.S.A. 75-4215, and
43 amendments thereto. Upon receipt of each such remittance, the state

1 treasurer shall deposit the entire amount in the state treasury and shall
2 credit the same to the state school district finance fund.

3 (c) All moneys remitted to the state treasurer pursuant to subsection
4 (b) shall be used for paying a portion of the costs of operating and
5 maintaining public schools in partial fulfillment of the constitutional
6 obligation of the legislature to finance the educational interests of the state.

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

9 Sec. 8. (a) The board of education of a school district may adopt a
10 local option budget that does not exceed the greater of: (1) The local
11 option budget adopted by such school district for school year 2014-2015
12 pursuant to K.S.A. 72-6433, prior to its repeal; or (2) the local option
13 budget such school district would have adopted for school year 2015-2016
14 pursuant to K.S.A. 72-6433, prior to its repeal.

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

19 (c) Unless specifically stated otherwise in the resolution, the authority
20 to adopt a local option budget shall be continuous and permanent. The
21 board of any school district that has adopted a local option budget in a
22 prior school year may choose not to adopt such a budget or may adopt a
23 budget in an amount less than the amount authorized. If the board of any
24 school district, whose authority to adopt a local option budget is not
25 continuous and permanent, refrains from adopting a local option budget,
26 the authority of such district to adopt a local option budget shall not be
27 extended by such refrainment beyond the period specified in the resolution
28 authorizing adoption of such budget.

29 (d) The board of any district may initiate procedures to renew the
30 authority to adopt a local option budget at any time during a school year
31 after the tax levied pursuant to section 10, and amendments thereto, is
32 certified to the county clerk under any existing authorization.

33 (e) The board of education of any school district that has adopted a
34 local option budget prior to July 1, 2015, under a resolution that authorized
35 the adoption of such budget in accordance with the provisions of K.S.A.
36 72-6433, prior to its repeal, may continue to operate under such resolution
37 for the period of time specified in the resolution or may abandon the
38 resolution and operate under the provisions of this section. Any such
39 school district shall operate under the provisions of this section after the
40 period of time specified in the resolution has expired.

41 (f) Any resolution adopted pursuant to this section may revoke or
42 repeal any resolution previously adopted by the board. If the resolution
43 does not revoke or repeal previously adopted resolutions, all resolutions

1 that are in effect shall expire on the same date. The maximum amount of
2 the local option budget of a school district under all resolutions in effect
3 shall not exceed the limitation set forth in subsection (a) in any school
4 year.

5 Sec. 9. (a) The board of education of each school district that has
6 adopted a local option budget may levy an ad valorem tax on the taxable
7 tangible property of the school district for the purposes of:

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

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

14 (b) Except for the proceeds of such tax levied for the purpose
15 specified in subsection (a)(2), the proceeds from the tax levied by a school
16 district under authority of this section shall be deposited in the general
17 fund of the school district.

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

20 Sec. 10. (a) The board of education of any school district to which the
21 provisions of this subsection apply may levy an ad valorem tax on the
22 taxable tangible property of the school district for two years in an amount
23 not to exceed the amount authorized by the state board of tax appeals for
24 school year 2014-2015 pursuant to K.S.A. 2014 Supp. 72-6451, prior to its
25 repeal, for the purpose set forth in K.S.A. 2014 Supp. 72-6451, prior to its
26 repeal. The provisions of this subsection apply to any school district that
27 imposed a levy pursuant to K.S.A. 2014 Supp. 72-6451, prior to its repeal,
28 for school year 2014-2015.

29 (b) The board of education of any school district that would have
30 been eligible to levy an ad valorem tax pursuant to K.S.A. 2014 Supp. 72-
31 6451, prior to its repeal, may levy an ad valorem tax on the taxable
32 tangible property of the school district each year for a period of time not to
33 exceed two years in an amount not to exceed the amount authorized by the
34 state board of tax appeals under this subsection for the purpose of
35 financing the costs incurred by the school district directly attributable to
36 the school district's declining enrollment. The state board of tax appeals
37 may authorize the school district to make a levy that will produce an
38 amount that is not greater than the amount of revenues lost as a result of
39 the declining enrollment of the school district. Such amount shall not
40 exceed 5% of the general fund budget of the school district in the school
41 year in which the school district applies to the state board of tax appeals
42 for authority to make a levy pursuant to this section.

43 (c) The state board of tax appeals shall certify to the state board of

1 education the amount authorized to be produced by the levy of a tax under
2 this section. The state board of education shall prescribe guidelines for the
3 data that school districts shall include in cases before the state board of tax
4 appeals pursuant to this section. The state board of education shall provide
5 to the state board of tax appeals such school data and information
6 requested by the state board of tax appeals and any other information
7 deemed necessary by the state board of education.

8 (d) The proceeds from any tax levied by a school district under
9 authority of this section shall be remitted to the state treasurer in
10 accordance with the provisions of K.S.A. 75-4215, and amendments
11 thereto. Upon receipt of each such remittance, the state treasurer shall
12 deposit the entire amount in the state treasury and shall credit the same to
13 the state school district finance fund. All moneys remitted to the state
14 treasurer pursuant to this subsection shall be used for paying a portion of
15 the costs of operating and maintaining public schools in partial fulfillment
16 of the constitutional obligation of the legislature to finance the educational
17 interests of the state.

18 Sec. 11. (a) The board of any school district that would have been
19 eligible to levy an ad valorem tax pursuant to K.S.A. 72-6441, prior to its
20 repeal, may levy an ad valorem tax on the taxable tangible property of the
21 school district each year for a period of time not to exceed two years,
22 subject to subsection (c), in an amount not to exceed the amount
23 authorized by the state board of tax appeals under this subsection for the
24 purpose of financing the costs incurred by the school district that are
25 directly attributable to ancillary school facilities. The state board of tax
26 appeals may authorize the school district to make a levy that will produce
27 an amount that is not greater than the difference between the amount of
28 costs directly attributable to commencing operation of one or more new
29 school facilities and the amount that is financed from any other source
30 provided by law for such purpose.

31 (b) The state board of tax appeals shall certify to the state board of
32 education the amount authorized to be produced by the levy of a tax under
33 subsection (a). The state board of tax appeals may adopt rules and
34 regulations necessary to effectuate the provisions of this section, including
35 rules and regulations relating to the evidence required in support of a
36 school district's claim that the costs attributable to commencing operation
37 of one or more new school facilities are in excess of the amount that is
38 financed from any other source provided by law for such purpose.

39 (c) The board of education of any school district that has levied an ad
40 valorem tax on the taxable tangible property of the school district each
41 year for a period of two years under authority of subsection (a), or that
42 imposed a levy pursuant to K.S.A. 72-6441, prior to its repeal, for school
43 year 2014-2015, may continue to levy such tax under authority of this

1 subsection each year for an additional period of time not to exceed six
2 years in an amount not to exceed the amount computed by the state board
3 of education as provided in this subsection, if the board of education of the
4 school district determines that the costs attributable to commencing
5 operation of one or more new school facilities are significantly greater
6 than the costs attributable to the operation of other school facilities in the
7 school district. The tax authorized under this subsection may be levied at a
8 rate that will produce an amount that is not greater than the amount
9 computed by the state board of education as provided in this subsection. In
10 computing such amount, the state board shall:

11 (1) Determine the amount produced by the tax levied by the school
12 district under authority of subsection (a) in the second year for which such
13 tax was levied;

14 (2) compute 90% of the amount of the sum obtained under subsection
15 (c)(1), which computed amount is the amount the school district may levy
16 in the first year of the six-year period for which the school district may
17 levy a tax under authority of this subsection;

18 (3) compute 75% of the amount of the sum obtained under subsection
19 (c)(1), which computed amount is the amount the school district may levy
20 in the second year of the six-year period for which the school district may
21 levy a tax under authority of this subsection;

22 (4) compute 60% of the amount of the sum obtained under subsection
23 (c)(1), which computed amount is the amount the school district may levy
24 in the third year of the six-year period for which the school district may
25 levy a tax under authority of this subsection;

26 (5) compute 45% of the amount of the sum obtained under subsection
27 (c)(1), which computed amount is the amount the school district may levy
28 in the fourth year of the six-year period for which the school district may
29 levy a tax under authority of this subsection;

30 (6) compute 30% of the amount of the sum obtained under subsection
31 (c)(1), which computed amount is the amount the school district may levy
32 in the fifth year of the six-year period for which the school district may
33 levy a tax under authority of this subsection; and

34 (7) compute 15% of the amount of the sum obtained under subsection
35 (c)(1), which computed amount is the amount the school district may levy
36 in the sixth year of the six-year period for which the school district may
37 levy a tax under authority of this subsection.

38 (e) The proceeds from any 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 and shall credit the same to
43 the state school district finance fund. All moneys remitted to the state

1 treasurer pursuant to this subsection shall be used for paying a portion of
2 the costs of operating and maintaining public schools in partial fulfillment
3 of the constitutional obligation of the legislature to finance the educational
4 interests of the state.

5 Sec. 12. (a) The board of education of any school district that would
6 have been eligible to levy an ad valorem tax pursuant to K.S.A. 2014
7 Supp. 72-6449, prior to its repeal, may levy a tax on the taxable tangible
8 property within the school district for the purpose of financing the costs
9 incurred by the school district that are attributable directly to the cost of
10 paying cost-of-living salaries and wages in an amount not to exceed the
11 amount such school district would have been authorized to levy under
12 K.S.A. 2014 Supp. 72-6449, prior to its repeal.

13 (b) No tax may be levied under this section unless the board of
14 education adopts a resolution authorizing such a tax levy and publishes the
15 resolution at least once in a newspaper having general circulation in the
16 school district. The resolution shall be published in substantial compliance
17 with the following form:

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

20 RESOLUTION

21 Be It Resolved that:

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

35 CERTIFICATE

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

39 _____
40 Clerk of the board of education.

41 All of the blanks in the resolution shall be filled appropriately. If no
42 petition as specified above is filed in accordance with the provisions of the
43 resolution, the resolution authorizing the ad valorem tax levy shall become

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

13 (d) The proceeds from any tax levied by a school district under
14 authority of this section shall be remitted to the state treasurer in
15 accordance with the provisions of K.S.A. 75-4215, and amendments
16 thereto. Upon receipt of each such remittance, the state treasurer shall
17 deposit the entire amount in the state treasury and shall credit the same to
18 the state school district finance fund. All moneys remitted to the state
19 treasurer pursuant to this subsection shall be used for paying a portion of
20 the costs of operating and maintaining public schools in partial fulfillment
21 of the constitutional obligation of the legislature to finance the educational
22 interests of the state.

23 Sec. 13. Any fund established in a school district pursuant to K.S.A.
24 72-6409, 72-6420 through 72-6424 or K.S.A. 2014 Supp. 72-6414a or 72-
25 6414b, prior to their repeal, shall continue in existence in such school
26 district, subject to the provisions of this act.

27 Sec. 14. (a) Except for the bond and interest fund, the board of any
28 school district may transfer moneys from the general fund to any other
29 fund of the school district in any school year. Except for the bond and
30 interest fund, special education fund and special retirement contributions
31 fund, the board of any school district may transfer moneys from any fund
32 of the school district to the general fund of the school district.

33 (b) The board of any school district may transfer moneys from any
34 other fund to the special education fund or special retirement contributions
35 fund of the school district, but no transfer shall be authorized from the
36 bond and interest fund, special education fund or special retirement
37 contributions fund. Moneys in the bond and interest fund, special
38 education fund and special retirement contributions fund shall only be
39 expended for such purposes as permitted by law.

40 (c) The aggregate amount of money transferred pursuant to this
41 section from the capital outlay fund of a school district to the general fund
42 of the school district, or to any other fund of the school district for any
43 school year shall not exceed the aggregate amount of money held in the

1 capital outlay fund that is not directly attributable to any tax levied under
2 the authority of K.S.A. 72-8801, and amendments thereto.

3 Sec. 15. (a) In order to accomplish the mission for Kansas education,
4 the state board of education shall design and adopt a school performance
5 accreditation system based upon improvement in performance that reflects
6 high academic standards and is measurable.

7 (b) The state board of education shall establish curriculum standards
8 that reflect high academic standards for the core academic areas of
9 mathematics, science, reading, writing and social studies. The curriculum
10 standards shall be reviewed at least every seven years. Nothing in this
11 subsection shall be construed in any manner so as to impinge upon any
12 district's authority to determine its own curriculum.

13 (c) The state board of education shall provide for statewide
14 assessments in the core academic areas of mathematics, science, reading,
15 writing and social studies. The board shall ensure compatibility between
16 the statewide assessments and the curriculum standards established
17 pursuant to subsection (b). Such assessments shall be administered at three
18 grade levels, as determined by the board. The state board shall determine
19 performance levels on the statewide assessments, the achievement of
20 which represents high academic standards in the academic area at the
21 grade level to which the assessment applies. The state board should specify
22 high academic standards on the assessments both for individual
23 performance and school performance.

24 (d) Each school in every district shall establish a school site council
25 composed of the principal and representatives of teachers and other school
26 personnel, parents of students attending the school, the business
27 community and other community groups. School site councils shall be
28 responsible for providing advice and counsel in evaluating state, school
29 district and school site performance goals and objectives and in
30 determining the methods that should be employed at the school site to
31 meet these goals and objectives. Site councils may make recommendations
32 and proposals to the school board regarding budgetary items and school
33 district matters, including, but not limited to, identifying and implementing
34 the best practices for developing efficient and effective administrative and
35 management functions. Site councils also may help school boards analyze
36 the unique environment of schools, enhance the efficiency and maximize
37 limited resources, including outsourcing arrangements and cooperative
38 opportunities as a means to address limited budgets.

39 (e) Whenever the state board of education determines that a school
40 has failed either to meet the accreditation requirements established by
41 rules and regulations or standards adopted by the state board or provide the
42 curriculum required by state law, the state board shall so notify the school
43 district in which the school is located. Such notice shall specify the

1 accreditation requirements that the school has failed to meet and the
2 curriculum that the school has failed to provide. Upon receipt of such
3 notice, the board of education of such school district is encouraged to
4 reallocate the resources of the school district to remedy all deficiencies
5 identified by the state board.

6 Sec. 16. The state board of education may adopt rules and regulations
7 for the implementation and administration of the provisions of sections 2
8 through 15, and amendments thereto.

9 Sec. 17. The provisions of sections 2 through 16, and amendments
10 thereto, shall be severable. If any provision of sections 2 through 16, and
11 amendments thereto, or any application of such provision to any person or
12 circumstance is held to be invalid or unconstitutional by court order, the
13 invalidity shall not affect other provisions or applications of sections 2
14 through 16, and amendments thereto, which can be given effect without
15 the invalid provision or application.

16 Sec. 18. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
17 follows: 12-1776a. (a) As used in this section:

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

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

24 (b) No later than November 1 of each year, the county clerk of each
25 county shall certify to the state board of education the assessed valuation
26 of any school district located within a redevelopment district in such
27 county. For the purposes of this section ~~and for determining the amount of~~
28 ~~state aid for school districts under K.S.A. 75-2319, and amendments~~
29 ~~thereto~~, the base year assessed valuation of property within the boundaries
30 of a redevelopment district shall be used when determining the assessed
31 valuation of a school district until the bonds issued pursuant to K.S.A. 12-
32 1770 et seq., and amendments thereto, to finance redevelopment projects
33 in the redevelopment district have been retired.

34 Sec. 19. K.S.A. 2016 Supp. 75-6704 is hereby amended to read as
35 follows: 75-6704. (a) The director of the budget shall continuously
36 monitor the status of the state general fund with regard to estimated and
37 actual revenues and approved and actual expenditures and demand
38 transfers. Periodically, the director of the budget shall estimate the amount
39 of the unencumbered ending balance of moneys in the state general fund
40 for the current fiscal year and the total amount of anticipated expenditures,
41 demand transfers and encumbrances of moneys in the state general fund
42 for the current fiscal year. If the amount of such unencumbered ending
43 balance in the state general fund is less than \$100,000,000, the director of

1 the budget shall certify to the governor the difference between
2 \$100,000,000 and the amount of such unencumbered ending balance in the
3 state general fund, after adjusting the estimates of the amounts of such
4 demand transfers with regard to new estimates of revenues to the state
5 general fund, where appropriate. When estimating the amount of the
6 unencumbered ending balance of moneys in the state general fund for the
7 purposes of such certification, the director of the budget shall not take into
8 consideration the balance in the budget stabilization fund.

9 (b) Upon receipt of any such certification and subject to approval of
10 the state finance council acting on this matter which is hereby declared to
11 be a matter of legislative delegation and subject to the guidelines
12 prescribed by K.S.A. 75-3711c(c), and amendments thereto, the governor
13 may issue an executive order reducing, by applying a percentage reduction
14 determined by the governor in accordance with this section: (1) The
15 amount authorized to be expended from each appropriation from the state
16 general fund for the current fiscal year, other than any item of
17 appropriation for debt service for payments pursuant to contractual bond
18 obligations or any item of appropriation for employer contributions for the
19 employers who are eligible employers as specified in K.S.A. 74-4931(1),
20 (2) and (3), and amendments thereto, under the Kansas public employees
21 retirement system pursuant to K.S.A. 74-4939, and amendments thereto, or
22 for payments made from the juvenile justice improvement fund for the
23 development and implementation of evidence-based community programs
24 and practices for juvenile offender and their families; and (2) the amount
25 of each demand transfer from the state general fund for the current fiscal
26 year, ~~other than any demand transfer to the school district capital~~
27 ~~improvements fund for distribution to school districts pursuant to K.S.A.~~
28 ~~75-2319, and amendments thereto.~~

29 (c) The reduction imposed by an executive order issued under this
30 section shall be determined by the governor and may be equal to or less
31 than the amount certified under subsection (a). Except as otherwise
32 specifically provided by this section, the percentage reduction applied
33 under subsection (b) shall be the same for each item of appropriation and
34 each demand transfer and shall be imposed equally on all such items of
35 appropriation and demand transfers without exception. No such percentage
36 reduction and no provisions of any such executive order under this section
37 shall apply or be construed to reduce any item of appropriation for debt
38 service for payments pursuant to contractual bond obligations or any item
39 of appropriation for employer contributions for the employers who are
40 eligible employers as specified in K.S.A. 74-4931(1), (2) and (3), and
41 amendments thereto, under the Kansas public employees retirement
42 system pursuant to K.S.A. 74-4939, and amendments thereto, ~~or any~~
43 ~~demand transfer to the school district capital improvements fund for~~

1 ~~distribution to school districts pursuant to K.S.A. 75-2319, and~~
2 ~~amendments thereto.~~ The provisions of such executive order shall be
3 effective for all state agencies of the executive, legislative and judicial
4 branches of state government.

5 (d) If the governor issues an executive order under this section, the
6 director of accounts and reports shall not issue any warrant for the
7 payment of moneys in the state general fund or make any demand transfer
8 of moneys in the state general fund for any state agency unless such
9 warrant or demand transfer is in accordance with such executive order and
10 such warrant or demand transfer does not exceed the amount of money
11 permitted to be expended or transferred from the state general fund.

12 (e) Nothing in this section shall be construed to: (1) Require the
13 governor to issue an executive order under this section upon receipt of any
14 such certification by the director of the budget; or (2) restrict the number
15 of times that the director of the budget may make a certification under this
16 section or that the governor may issue an executive order under this
17 section.

18 Sec. 20. K.S.A. 2016 Supp. 12-1776a, 72-6482, 72-8190, 75-2319,
19 75-2319c, 75-2319d, 75-2321 and 75-6704 are hereby repealed.

20 Sec. 21. This act shall take effect and be in force from and after its
21 publication in the statute book.