

**HOUSE BILL No. 2791**

By Committee on Appropriations

3-26

1 AN ACT concerning education; relating to the Kansas school equity and  
2 enhancement act; determination of local foundation aid; amending  
3 K.S.A. 2017 Supp. 72-5132, 72-5143 and 72-5152 and repealing the  
4 existing sections; also repealing K.S.A. 2017 Supp. 72-5144.

5  
6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 2017 Supp. 72-5132 is hereby amended to read as  
8 follows: 72-5132. As used in the Kansas school equity and enhancement  
9 act, K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

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

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

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

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

31 (d) "At-risk student weighting" means an addend component assigned  
32 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-  
33 5151(a), and amendments thereto, on the basis of costs attributable to the  
34 maintenance of at-risk educational programs by such school districts.

35 (e) "Base aid for student excellence" or "BASE aid" means an amount  
36 appropriated by the legislature in a fiscal year for the designated year. The

1 amount of BASE aid shall be as follows:

2 (1) For school year 2017-2018, \$4,006;

3 (2) for school year 2018-2019, ~~\$4,128~~ \$5,160; and

4 (3) for school year 2019-2020, and each school year thereafter, the  
5 BASE aid shall be the BASE aid amount for the immediately preceding  
6 school year plus an amount equal to the average percentage increase in the  
7 consumer price index for all urban consumers in the midwest region as  
8 published by the bureau of labor statistics of the United States department  
9 of labor during the three immediately preceding school years.

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

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

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

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

25 (j) "Cost-of-living weighting" means an addend component assigned  
26 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-  
27 5159, and amendments thereto, on the basis of costs attributable to the cost  
28 of living in such school districts.

29 (k) "Current school year" means the school year during which state  
30 foundation aid is determined by the state board under K.S.A. 2017 Supp.  
31 72-5134, and amendments thereto.

32 (l) "Declining enrollment weighting" means an addend component  
33 assigned to the enrollment of school districts pursuant to K.S.A. 2017  
34 Supp. 72-5160, and amendments thereto, on the basis of costs attributable  
35 to the declining enrollment of such school districts.

36 (m) "Enrollment" means:

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

1 through 12 maintained by the school district for at least one semester or  
2 two quarters, or the equivalent thereof.

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

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

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

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

26 (A) The enrollment determined under subsection (m)(2); or

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

30 (i) The enrollment of the school district in the preceding school year  
31 minus the enrollment in such school year of preschool-aged at-risk  
32 students, if any;

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

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

38 (4) (A) For school year 2017-2018, the enrollment determined under  
39 paragraph (1), (2) or (3), except if the school district offers kindergarten on  
40 a full-time basis in such school year, students regularly enrolled in  
41 kindergarten in the school district in the preceding school year shall be  
42 counted as one student regardless of actual attendance during such  
43 preceding school year.

1 (B) For school year 2018-2019 and each school year thereafter, the  
2 enrollment determined under paragraph (1), (2) or (3), except if the school  
3 district begins to offer kindergarten on a full-time basis in such school  
4 year, students regularly enrolled in kindergarten in the school district in the  
5 preceding school year shall be counted as one student regardless of actual  
6 attendance during such preceding school year.

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

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

19 (p) "General fund" means the fund of a school district from which  
20 operating expenses are paid and in which is deposited all amounts of state  
21 foundation aid provided under this act, payments under K.S.A. 2017 Supp.  
22 72-528, and amendments thereto, payments of federal funds made  
23 available under the provisions of title I of public law 874, except amounts  
24 received for assistance in cases of major disaster and amounts received  
25 under the low-rent housing program and such other moneys as are  
26 provided by law.

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

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

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

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

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

42 (1) *The amount of the proceeds from the tax levied under the*  
43 *authority of K.S.A. 2017 Supp. 72-5147, and amendments thereto, that is*

1 *levied to finance that portion of the school district's local option budget*  
2 *that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and*  
3 *amendments thereto, and not financed from any other source provided by*  
4 *law;*

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

10 ~~(2)~~ (3) an amount equal to any remaining proceeds from taxes levied  
11 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,  
12 prior to their repeal;

13 ~~(3)~~ (4) an amount equal to the amount deposited in the general fund  
14 in the current school year from moneys received in such school year by the  
15 school district under the provisions of K.S.A. 2017 Supp. 72-3123(a), and  
16 amendments thereto;

17 ~~(4)~~ (5) an amount equal to the amount deposited in the general fund  
18 in the current school year from moneys received in such school year by the  
19 school district pursuant to contracts made and entered into under authority  
20 of K.S.A. 2017 Supp. 72-3125, and amendments thereto;

21 ~~(5)~~ (6) an amount equal to the amount credited to the general fund in  
22 the current school year from moneys distributed in such school year to the  
23 school district under the provisions of articles 17 and 34 of chapter 12 of  
24 the Kansas Statutes Annotated, and amendments thereto, and under the  
25 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes  
26 Annotated, and amendments thereto;

27 ~~(6)~~ (7) an amount equal to the amount of payments received by the  
28 school district under the provisions of K.S.A. 2017 Supp. 72-3423, and  
29 amendments thereto;

30 ~~(7)~~ (8) an amount equal to the amount of any grant received by the  
31 school district under the provisions of K.S.A. 2017 Supp. 72-3425, and  
32 amendments thereto; and

33 ~~(8)~~ (9) an amount equal to 70% of the federal impact aid of the school  
34 district.

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

40 (w) "Operating expenses" means the total expenditures and lawful  
41 transfers from the general fund of a school district during a school year for  
42 all purposes, except expenditures for the purposes specified in K.S.A.  
43 2017 Supp. 72-5168, and amendments thereto.

1 (x) "Preceding school year" means the school year immediately  
2 before the current school year.

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

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

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

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

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

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

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

30 (ff) "Special education and related services weighting" means an  
31 addend component assigned to the enrollment of school districts pursuant  
32 to K.S.A. 2017 Supp. 72-5157, and amendments thereto, on the basis of  
33 costs attributable to the maintenance of special education and related  
34 services by such school districts.

35 (gg) "State board" means the state board of education.

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

39 (ii) (I) "Student" means any person who is regularly enrolled in a  
40 school district and attending kindergarten or any of the grades one through  
41 12 maintained by the school district or who is regularly enrolled in a  
42 school district and attending kindergarten or any of the grades one through  
43 12 in another school district in accordance with an agreement entered into

1 under authority of K.S.A. 2017 Supp. 72-13,101, and amendments thereto,  
2 or who is regularly enrolled in a school district and attending special  
3 education services provided for preschool-aged exceptional children by the  
4 school district.

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

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

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

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

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

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

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

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

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

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

42 (G) A student enrolled in a school district and attending special  
43 education and related services provided for by the school district and also

1 attending a virtual school shall be counted as that proportion of one  
 2 student (to the nearest  $\frac{1}{10}$ ) that the student's attendance at the non-virtual  
 3 school bears to full-time attendance.

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

- 6 (a) For school years 2017-2018 and 2018-2019, one student;
- 7 (b) for school year 2019-2020 and 2020-2021,  $\frac{3}{4}$  of a student; and
- 8 (c) for school year 2021-2022 and each school year thereafter,  $\frac{1}{2}$  of a  
 9 student.

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

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

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

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

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

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

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

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

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

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

34 (ll) "Virtual school" means the same as such term is defined in K.S.A.  
 35 2017 Supp. 72-3712, and amendments thereto.

36 Sec. 2. K.S.A. 2017 Supp. 72-5143 is hereby amended to read as  
 37 follows: 72-5143. (a) In each school year, the board of education of a  
 38 school district ~~may shall~~ adopt, by resolution, a local option budget ~~that~~  
 39 ~~does not exceed the state prescribed percentage equal to 20% of the school~~  
 40 ~~district's total foundation aid.~~

41 (b) ~~Subject to the limitations of subsection (a), in each school year, If~~  
 42 ~~the board of education of a school district desires local option budget~~  
 43 ~~authority above the amount required under subsection (a), the board may~~



1 adopt, by resolution, a local option budget in an amount that does not  
2 exceed:

3 (1) The amount that the board was authorized to adopt under any  
4 resolution adopted pursuant to K.S.A. 2017 Supp. 72-6471, prior to its  
5 ~~expiration July 1, 2017~~; or

6 (2) ~~the state-wide average for the preceding school year as~~  
7 ~~determined by the state board pursuant to subsection 27% of the school~~  
8 ~~district's total foundation aid.~~

9 The adoption of a resolution pursuant to this ~~section~~ *subsection* shall  
10 require a majority vote of the members of the board. Such resolution shall  
11 be effective upon adoption and shall require no other procedure,  
12 authorization or approval.

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

21 Unified School District No. \_\_\_\_\_,  
22 \_\_\_\_\_ County, Kansas.

23 RESOLUTION

24 Be It Resolved that:

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

37 CERTIFICATE

38 This is to certify that the above resolution was duly adopted by the  
39 board of education of unified school district No. \_\_\_\_\_, \_\_\_\_\_ County,  
40 Kansas, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

41 \_\_\_\_\_  
42 Clerk of the board of education.

43 All of the blanks in the resolution shall be filled appropriately. If a

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

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

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

26 (f) The board of any school district authorized to adopt a local option  
27 budget prior to July 1, 2017, under a resolution that authorized the  
28 adoption of such budget in accordance with the provisions of K.S.A. 2017  
29 Supp. 72-6471, ~~prior to its expiration July 1, 2017,~~ may continue to  
30 operate under such resolution for the period of time specified in the  
31 resolution *if such resolution adopted a local option budget equal to or*  
32 *greater than the amount required in subsection (a),* or may abandon the  
33 resolution and operate under the provisions of this section. Any such  
34 school district shall operate under the provisions of this section after the  
35 period of time specified in any previously adopted resolution has expired.

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

42 (h) (1) There is hereby established in each school district that adopts a  
43 local option budget a supplemental general fund, which shall consist of all

1 amounts deposited therein or credited thereto according to law.

2 (2) (A) *Of the moneys deposited in or otherwise credited to the*  
3 *supplemental general fund of a school district pursuant to K.S.A. 2017*  
4 *Supp. 72-5147, and amendments thereto, that are attributable to that*  
5 *portion of the local option budget required by subsection (a), an amount*  
6 *that is proportional to that amount of such school district's total*  
7 *foundation aid attributable to the at-risk student weighting as compared to*  
8 *such district's total foundation aid shall be transferred to the at-risk*  
9 *education fund of such school district and shall be expended in*  
10 *accordance with K.S.A. 2017 Supp. 72-5153, and amendments thereto.*

11 (B) *Of the moneys deposited in or otherwise credited to the*  
12 *supplemental general fund of a school district pursuant to K.S.A. 2017*  
13 *Supp. 72-5147, and amendments thereto, that are attributable to that*  
14 *portion of the local option budget required by subsection (a), an amount*  
15 *that is proportional to that amount of such school district's total*  
16 *foundation aid attributable to the bilingual weighting as compared to such*  
17 *district's total foundation aid shall be transferred to the bilingual*  
18 *education fund of such school district and shall be expended in*  
19 *accordance with K.S.A. 2017 Supp. 72-3613, and amendments thereto.*

20 ~~(2)~~ (3) Subject to the limitations imposed under ~~subsection (h)(3)~~  
21 *paragraph (4)*, amounts in the supplemental general fund may be  
22 expended for any purpose for which expenditures from the general fund  
23 are authorized or may be transferred to any categorical fund of the school  
24 district. Amounts in the supplemental general fund attributable to any  
25 percentage over 25% of total foundation aid determined for the current  
26 school year may be transferred to the capital improvements fund of the  
27 school district and the capital outlay fund of the school district if such  
28 transfers are specified in the resolution authorizing the adoption of a local  
29 option budget in excess of 25%.

30 ~~(3)~~ (4) Amounts in the supplemental general fund may not be  
31 expended for the purpose of making payments under any lease-purchase  
32 agreement involving the acquisition of land or buildings that is entered  
33 into pursuant to the provisions of K.S.A. 2017 Supp. 72-1149, and  
34 amendments thereto.

35 ~~(4)~~ (5) (A) Except as provided in ~~subsection (h)(4)(B)~~ *subparagraph*  
36 *(B)*, any unexpended moneys remaining in the supplemental general fund  
37 of a school district at the conclusion of any school year in which a local  
38 option budget is adopted shall be maintained in such fund.

39 (B) If the school district received supplemental state aid in the school  
40 year, the state board shall determine the ratio of the amount of  
41 supplemental general state aid received to the amount of the local option  
42 budget of the school district for the school year and multiply the total  
43 amount of the unexpended moneys remaining by such ratio. An amount

1 equal to the amount of the product shall be transferred to the general fund  
2 of the school district or remitted to the state treasurer in accordance with  
3 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt  
4 of any such remittance, the state treasurer shall deposit the same in the  
5 state treasury to the credit of the state school district finance fund.

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

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

11 (k) As used in this section:

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

14 (2) "State prescribed percentage" means ~~33%~~ 30% of the total  
15 foundation aid of the school district in the current school year.

16 (3) *For purposes of determining the school district's local option*  
17 *budget under subsections (a), (b) and (c), "total foundation aid" means the*  
18 *same as such term is defined in K.S.A. 2017 Supp. 72-5132, and*  
19 *amendments thereto, except the school district's total found aid shall*  
20 *include the state aid for special education and related services for the*  
21 *current school year; or the amount of such state aid received by the school*  
22 *district in school year 2008-2009, whichever is greater.*

23 Sec. 3. K.S.A. 2017 Supp. 72-5152 is hereby amended to read as  
24 follows: 72-5152. (a) (1) If a student submits an application for free meals  
25 under the national school lunch act on or before the date on which the  
26 enrollment of the school district is calculated and it is later determined by  
27 the school district or the department of education that the student should  
28 not have been eligible for free meals, the school district or the department  
29 shall notify the state board of such determination. Except as provided in  
30 subsection (b), upon receipt of such notice, the state board shall recompute  
31 the adjusted enrollment of the school district and the general fund budget  
32 of the school district based on the adjusted enrollment of the school district  
33 excluding the at-risk student weighting and high-density at-risk student  
34 weighting, if any, assigned to such student.

35 (2) *Each school year, the department shall determine the percentage*  
36 *of students enrolled in each school district who submitted an application*  
37 *for free meals under the national school lunch act and who were later*  
38 *determined by the department to not be eligible for free meals pursuant to*  
39 *the department's annual audit of such applications. In addition to any*  
40 *determinations made pursuant to paragraph (1), the state board shall*  
41 *reduce the enrollment of students eligible for free meals in each school*  
42 *district by the percentage of students enrolled in such school district*  
43 *determined by the department as not eligible for free meals pursuant to the*

1 *department's annual audit, and shall recompute the adjusted enrollment of*  
2 *each school district and the general fund budget of each school district*  
3 *based on the adjusted enrollment of the school district excluding the at-*  
4 *risk student weighting and high-density at-risk student weighting, if any,*  
5 *assigned to such students.*

6 (b) If a student becomes ineligible to receive free meals under the  
7 national school lunch act for failure to submit, in a timely manner, any  
8 documentation necessary for verification of eligibility as required by the  
9 national school lunch act, but subsequently submits such documentation,  
10 such student shall not be excluded from the calculation of the adjusted  
11 enrollment of the school district if the school district forwards a copy of  
12 such documentation to the state board no later than January 14 of the  
13 school year.

14 Sec. 4. K.S.A. 2017 Supp. 72-5132, 72-5143, 72-5144 and 72-5152  
15 are hereby repealed.

16 Sec. 5. This act shall take effect and be in force from and after its  
17 publication in the statute book.