

**SENATE BILL No. 233**

By Committee on Ways and Means

3-16

1 AN ACT concerning education; relating to the financing thereof; making  
2 and concerning appropriations for the fiscal years ending June 30,  
3 2018, and June 30, 2019, for the department of education; creating the  
4 education finance act; amending K.S.A. 12-17,115 and 72-8803 and  
5 K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a,  
6 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-  
7 3715, 72-5333b, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-  
8 6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-  
9 8233, 72-8236, 72-8237, 72-8249, 72-8250, 72-8251, 72-8302, 72-  
10 8309, 72-8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-  
11 9609, 74-4939a, 74-8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-  
12 2001, 79-2925b and 79-32,138 and repealing the existing sections; also  
13 repealing K.S.A. 2016 Supp. 72-6482, 72-99a01, 72-99a02, 72-99a03,  
14 72-99a04, 72-99a05, 72-99a06 and 72-99a07.

15

16 *Be it enacted by the Legislature of the State of Kansas:*

17

Section 1.

18

**DEPARTMENT OF EDUCATION**

19

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

21

Operating expenditures (including official

22

hospitality) (652-00-1000-0053).....\$12,515,606

23

*Provided*, That any unencumbered balance in the operating expenditures  
24 (including official hospitality) account in excess of \$100 as of June 30,  
25 2017, is hereby reappropriated for fiscal year 2018.

26

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

27

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

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

6 General state aid (652-00-1000-0820).....\$2,085,179,877

7 *Provided*, That any unencumbered balance in the general state aid account  
 8 in excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal  
 9 year 2018.

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

11 *Provided*, That any unencumbered balance in the supplemental general  
 12 state aid account in excess of \$100 as of June 30, 2017, is hereby  
 13 reappropriated for fiscal year 2018.

14 Information technology education opportunities

15 (652-00-1000-0600).....\$500,000

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

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

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

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

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

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

21 Educable deaf-blind and severely handicapped children's 22 programs aid (652-00-1000-0630).....	\$110,000
23 School district juvenile detention facilities and Flint Hills job 24 corps center grants (652-00-1000-0290).....	\$4,771,500

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 Food assistance – child and adult care food program – federal  
 33 fund (652-00-3531-3510).....No limit

34 Community-based child abuse prevention – federal  
 35 fund (652-00-3319-7400).....No limit

36 Family and children investment fund (652-00-7375).....No limit

37 Elementary and secondary school aid – federal  
 38 fund (652-00-3233-3040).....No limit

39 Educationally deprived children – state operations –  
 40 federal fund (652-00-3131-3130).....No limit

41 Elementary and secondary school – educationally deprived  
 42 children – LEA's fund (652-00-3532-3520).....No limit

43 ESEA chapter II – state operations – federal fund

1	(652-00-3132-3140).....	No limit
2	Education of handicapped children fund –	
3	federal (652-00-3234-3050).....	No limit
4	Education of handicapped children fund – state operations –	
5	federal fund (652-00-3534-3540).....	No limit
6	Education of handicapped children fund – preschool – federal	
7	fund (652-00-3535-3550).....	No limit
8	Education of handicapped children fund – preschool state	
9	operations – federal (652-00-3536-3560).....	No limit
10	Elementary and secondary school aid – federal fund – migrant	
11	education fund (652-00-3537-3570).....	No limit
12	Elementary and secondary school aid – federal fund – migrant	
13	education – state operations (652-00-3538-3580).....	No limit
14	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
15	Vocational education title II – federal fund –	
16	state operations (652-00-3540-3600).....	No limit
17	Educational research grants and projects	
18	fund (652-00-3592-3070).....	No limit
19	Drug abuse fund – department of education –	
20	federal (652-00-3795-3100).....	No limit
21	Drug abuse funds – federal – state operations	
22	fund (652-00-3799-3110).....	No limit
23	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
24	<i>Provided</i> , That expenditures may be made from the inservice education	
25	workshop fee fund for operating expenditures, including official	
26	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
27	<i>further</i> , That the state board of education is hereby authorized to fix,	
28	charge and collect fees for inservice workshops and conferences: <i>And</i>	
29	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
30	part of such operating expenditures incurred for inservice workshops and	
31	conferences: <i>And provided further</i> , That all fees received for inservice	
32	workshops and conferences shall be deposited in the state treasury in	
33	accordance with the provisions of K.S.A. 75-4215, and amendments	
34	thereto, and shall be credited to the inservice education workshop fee fund.	
35	Private donations, gifts, grants and bequests	
36	fund (652-00-7307-5000).....	No limit
37	Reimbursement for services fund (652-00-3056-3200).....	No limit
38	Communities in schools program fund (652-00-2221-2400).....	No limit
39	Governor's teaching excellence scholarships program repayment	
40	fund (652-00-7221-7200).....	No limit
41	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
42	scholarships program repayment fund shall be made in accordance with	
43	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	

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

12 Elementary and secondary school aid – federal fund –  
 13 reading first – state operations (652-00-3525-3850).....No limit  
 14 State grants for improving teacher quality –  
 15 federal fund (652-00-3526-3860).....No limit  
 16 State grants for improving teacher quality – federal fund –  
 17 state operations (652-00-3527-3870).....No limit  
 18 21st century community learning centers – federal  
 19 fund (652-00-3519-3890).....No limit  
 20 State assessments – federal fund (652-00-3520-3800).....No limit  
 21 Rural and low-income schools program –  
 22 federal fund (652-00-3521-3810).....No limit  
 23 TANF children's programs – federal  
 24 fund (652-00-3323-0530).....No limit  
 25 ESSA – student support academic enrichment – federal fund.....No limit  
 26 Language assistance state grants – federal  
 27 fund (652-00-3522-3820).....No limit  
 28 Service clearing fund (652-00-2869-2800).....No limit  
 29 Helping schools license plate program  
 30 fund (652-00-2606-2600).....No limit  
 31 General state aid transportation weighting –  
 32 state highway fund (652-00-2222-2222).....No limit  
 33 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and  
 34 April 1, 2018, the director of accounts and reports shall transfer  
 35 \$24,150,000 from the state highway fund of the department of  
 36 transportation to the general state aid transportation weighting – state  
 37 highway fund of the department of education.  
 38 Special education transportation weighting – state  
 39 highway fund (652-00-2223-2223).....No limit  
 40 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and  
 41 April 1, 2018, the director of accounts and reports shall transfer  
 42 \$2,500,000 from the state highway fund of the department of  
 43 transportation to the special education transportation weighting – state

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

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

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

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

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

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

29 (e) On March 30, 2018, or as soon thereafter as moneys are available,  
 30 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments  
 31 thereto, or any other statute, the director of accounts and reports shall  
 32 transfer \$550,000 from the state safety fund to the state general fund:

33 *Provided*, That the transfer of such amount shall be in addition to any  
 34 other transfer from the state safety fund to the state general fund as  
 35 prescribed by law: *Provided further*, That the amount transferred from the  
 36 state safety fund to the state general fund pursuant to this subsection is to  
 37 reimburse the state general fund for accounting, auditing, budgeting, legal,  
 38 payroll, personnel and purchasing services and any other governmental  
 39 services that are performed on behalf of the department of education by  
 40 other state agencies that receive appropriations from the state general fund  
 41 to provide such services.

42 (f) On June 30, 2018, or as soon thereafter as moneys are available,  
 43 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments

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

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

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

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

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

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

37 Sec. 2.

38 DEPARTMENT OF EDUCATION

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

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

43 *Provided*, That any unencumbered balance in the operating expenditures



1 (including official hospitality) account in excess of \$100 as of June 30,  
2 2018, is hereby reappropriated for fiscal year 2019.

3 Special education services aid (652-00-1000-0700).....\$442,680,455  
4 *Provided*, That any unencumbered balance in the special education  
5 services aid account in excess of \$100 as of June 30, 2018, is hereby  
6 reappropriated for fiscal year 2019: *Provided further*; That expenditures  
7 shall not be made from the special education services aid account for the  
8 provision of instruction for any homebound or hospitalized child unless  
9 the categorization of such child as exceptional is conjoined with the  
10 categorization of the child within one or more of the other categories of  
11 exceptionality: *And provided further*; That expenditures shall be made from  
12 this account for grants to school districts in amounts determined pursuant  
13 to and in accordance with the provisions of K.S.A. 72-983, and  
14 amendments thereto: *And provided further*; That expenditures shall be  
15 made from the amount remaining in this account, after deduction of the  
16 expenditures specified in the foregoing proviso, for payments to school  
17 districts in amounts determined pursuant to and in accordance with the  
18 provisions of K.S.A. 72-978, and amendments thereto.

19 General state aid (652-00-1000-0820).....\$1,893,387,062  
20 *Provided*, That any unencumbered balance in the general state aid account  
21 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal  
22 year 2019.

23 Supplemental general state aid (652-00-1000-0840).....\$470,625,852  
24 *Provided*, That any unencumbered balance in the supplemental general  
25 state aid account in excess of \$100 as of June 30, 2018, is hereby  
26 reappropriated for fiscal year 2019.

27 Information technology education opportunities  
28 (652-00-1000-0600).....\$500,000  
29 Kansas reading success program (652-00-1000-0070).....\$2,100,000  
30 Discretionary grants (652-00-1000-0400).....\$322,457  
31 *Provided*, That the above agency shall make expenditures from the  
32 discretionary grants account during the fiscal year 2019, in the amount not  
33 less than \$125,000 for after school programs for middle school students in  
34 the sixth, seventh and eighth grades: *Provided further*; That the after school  
35 programs may also include fifth and ninth grade students, if they attend a  
36 junior high: *And provided further*; That such discretionary grants shall be  
37 awarded to after school programs that operate for a minimum of two hours  
38 a day, every day that school is in session, and a minimum of six hours a  
39 day for a minimum of five weeks during the summer: *And provided*  
40 *further*; That the discretionary grants awarded to after school programs  
41 shall require a \$1 for \$1 local match: *And provided further*; That the  
42 aggregate amount of discretionary grants awarded to any one after school  
43 program shall not exceed \$25,000: *And provided further*; That during the

1 fiscal year ending June 30, 2019, expenditures shall be made by the above  
 2 agency from the discretionary grants fund for fiscal year 2019 to establish  
 3 a pilot program for communities in schools programming in three school  
 4 districts in Kansas: *And provided further*, That communities in schools  
 5 shall conduct an outcomes based study of its programming during fiscal  
 6 year 2019: *And provided further*, That the Kansas department of education  
 7 is hereby authorized and directed to provide to communities in schools  
 8 such student or other data as shall be necessary to permit communities in  
 9 schools to conduct such study of outcomes regarding the students assisted  
 10 with such communities in schools programming: *And provided further*,  
 11 That such data shall include data regarding demographically similar  
 12 students at peer institutions not involved in communities in schools  
 13 programs, to permit the research study to compare outcomes of students  
 14 receiving communities in schools services versus students not receiving  
 15 such services: *And provided further*, That upon providing the Kansas  
 16 department of education with the names of students participating in the  
 17 communities in schools program, the Kansas department of education shall  
 18 provide the current status of students identified as participating in the  
 19 program.

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

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

34 Educable deaf-blind and severely handicapped children's 35 programs aid (652-00-1000-0630).....	\$110,000
36 School district juvenile detention facilities and Flint Hills job 37 corps center grants (652-00-1000-0290).....	\$4,771,500

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

1 accordance with the provisions of K.S.A. 72-8187, and amendments  
 2 thereto.  
 3 Governor's teaching excellence scholarships and awards  
 4 (652-00-1000-0770).....\$327,500  
 5 *Provided*, That any unencumbered balance in the governor's teaching  
 6 excellence scholarships and awards account in excess of \$100 as of June  
 7 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*;  
 8 That all expenditures from the governor's teaching excellence scholarships  
 9 and awards account for teaching excellence scholarships shall be made in  
 10 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*  
 11 *further*; That each such grant shall be required to be matched on a \$1 for \$1  
 12 basis from nonstate sources: *And provided further*; That award of each such  
 13 grant shall be conditioned upon the recipient entering into an agreement  
 14 requiring the grant to be repaid if the recipient fails to complete the course  
 15 of training under the national board for professional teaching standards  
 16 certification program: *And provided further*; That all moneys received by  
 17 the department of education for repayment of grants for governor's  
 18 teaching excellence scholarships shall be deposited in the state treasury  
 19 and credited to the governor's teaching excellence scholarships program  
 20 repayment fund (652-00-7221-7200).  
 21 (b) There is appropriated for the above agency from the following  
 22 special revenue fund or funds for the fiscal year ending June 30, 2019, all  
 23 moneys now or hereafter lawfully credited to and available in such fund or  
 24 funds, except that expenditures other than refunds authorized by law and  
 25 transfers to other state agencies shall not exceed the following:  
 26 State school district finance fund (652-00-7393-7000).....No limit  
 27 School district capital improvements fund (652-00-2880-2880).....No limit  
 28 *Provided*, That expenditures from the school district capital improvements  
 29 fund shall be made only for the payment of general obligation bonds  
 30 approved by voters under the authority of K.S.A. 72-6761, and  
 31 amendments thereto.  
 32 Mineral production education fund (652-00-7669-7669).....No limit  
 33 School district capital outlay state aid fund.....No limit  
 34 Conversion of materials and equipment fund.....No limit  
 35 State safety fund (652-00-2538-2030).....No limit  
 36 School bus safety fund (652-00-2532-2300).....No limit  
 37 Motorcycle safety fund (652-00-2633-2050).....No limit  
 38 Federal indirect cost reimbursement fund (652-00-2312-2200).....No limit  
 39 Teacher and administrator fee fund (652-00-2728-2700).....No limit  
 40 Food assistance – federal fund (652-00-3230-3020).....No limit  
 41 Food assistance – school breakfast program –  
 42 federal fund (652-00-3529-3490).....No limit  
 43 Food assistance – national school lunch program –

1	federal fund (652-00-3530-3500).....	No limit
2	Food assistance – child and adult care food program – federal	
3	fund (652-00-3531-3510).....	No limit
4	Community-based child abuse prevention – federal	
5	fund (652-00-3319-7400).....	No limit
6	Family and children investment fund (652-00-7375).....	No limit
7	Elementary and secondary school aid – federal	
8	fund (652-00-3233-3040).....	No limit
9	Educationally deprived children – state operations –	
10	federal fund (652-00-3131-3130).....	No limit
11	Elementary and secondary school – educationally deprived	
12	children – LEA's fund (652-00-3532-3520).....	No limit
13	ESEA chapter II – state operations – federal fund	
14	(652-00-3132-3140).....	No limit
15	Education of handicapped children fund –	
16	federal (652-00-3234-3050).....	No limit
17	Education of handicapped children fund – state operations –	
18	federal fund (652-00-3534-3540).....	No limit
19	Education of handicapped children fund – preschool – federal	
20	fund (652-00-3535-3550).....	No limit
21	Education of handicapped children fund – preschool state	
22	operations – federal (652-00-3536-3560).....	No limit
23	Elementary and secondary school aid – federal fund – migrant	
24	education fund (652-00-3537-3570).....	No limit
25	Elementary and secondary school aid – federal fund – migrant	
26	education – state operations (652-00-3538-3580) .....	No limit
27	Vocational education title II – federal fund (652-00-3539-3590).....	No limit
28	Vocational education title II – federal fund –	
29	state operations (652-00-3540-3600) .....	No limit
30	Educational research grants and projects	
31	fund (652-00-3592-3070).....	No limit
32	Drug abuse fund – department of education –	
33	federal (652-00-3795-3100).....	No limit
34	Drug abuse funds – federal – state operations	
35	fund (652-00-3799-3110).....	No limit
36	Inservice education workshop fee fund (652-00-2230-2010).....	No limit
37	<i>Provided</i> , That expenditures may be made from the inservice education	
38	workshop fee fund for operating expenditures, including official	
39	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
40	<i>further</i> , That the state board of education is hereby authorized to fix,	
41	charge and collect fees for inservice workshops and conferences: <i>And</i>	
42	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
43	part of such operating expenditures incurred for inservice workshops and	

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

1 April 1, 2019, the director of accounts and reports shall transfer  
2 \$24,150,000 from the state highway fund of the department of  
3 transportation to the general state aid transportation weighting – state  
4 highway fund of the department of education.

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

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

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

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

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

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

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

27 Pre-K program.....\$4,799,812

28 Parent education program.....\$7,237,635

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

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

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

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

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

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

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

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

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

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

1 this education technology coordinator position: *Provided further*, That such  
2 information and data shall be available by the department of education by  
3 the end of the fiscal year 2019.

4 New Sec. 3. Sections 3 through 46, and amendments thereto, shall be  
5 known and may be cited as the education finance act.

6 New Sec. 4. As used in the education finance act, section 3 et seq.,  
7 and amendments thereto:

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

15 (b) "Ancillary school facilities weighting" means an addend  
16 component assigned to the enrollment of school districts to which the  
17 provisions of section 31, and amendments thereto, apply on the basis of  
18 costs attributable to commencing operation of new school facilities.

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

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

22 (e) "Categorical fund" means and includes the following funds of a  
23 school district: Special education fund; food service fund; driver training  
24 fund; adult education fund; adult supplementary education fund;  
25 professional development fund; parent education program fund; summer  
26 program fund; extraordinary school program fund; and educational  
27 excellence grant program fund.

28 (f) "Cost-of-living weighting" means an addend component assigned  
29 to the enrollment of school districts to which the provisions of section 32,  
30 and amendments thereto, apply on the basis of costs attributable to the cost  
31 of living in the school district.

32 (g) "Current school year" means the school year during which general  
33 state aid is determined by the state board under section 6, and amendments  
34 thereto.

35 (h) "Declining enrollment weighting" means an addend component  
36 assigned to the enrollment of school districts to which the provisions of  
37 section 33, and amendments thereto, apply on the basis of reduced  
38 revenues attributable to the declining enrollment of the school district.

39 (i) "Enrollment" means:

40 (1) The number of students regularly enrolled in the school district on  
41 September 20 of the preceding school year, except a student who is a  
42 foreign exchange student shall not be counted unless such student is  
43 regularly enrolled in the school district on September 20 and attending



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

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

7 (A) The sum of:

8 (i) The enrollment in the second preceding school year, excluding  
9 students under subsection (2)(A)(ii), minus enrollment in such school year  
10 of preschool-aged low-income students, if any, plus enrollment in the  
11 preceding school year of preschool-aged low-income students, if any; and

12 (ii) the adjusted enrollment in the second preceding school year of  
13 any students participating in the tax credit for low-income students  
14 scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and  
15 amendments thereto, in the preceding school year, if any, plus the adjusted  
16 enrollment in the second preceding school year of preschool-aged low-  
17 income students who are participating in the tax credit for low-income  
18 students scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et  
19 seq., and amendments thereto, in the preceding school year, if any; or

20 (B) the sum of the enrollment in the preceding school year of  
21 preschool-aged low-income students, if any, and the arithmetic mean of the  
22 sum of:

23 (i) The enrollment of the school district in the preceding school year  
24 minus the enrollment in such school year of preschool-aged low-income  
25 students, if any;

26 (ii) the enrollment in the second preceding school year minus the  
27 enrollment in such school year of preschool-aged low-income students, if  
28 any; and

29 (iii) the enrollment in the third preceding school year minus the  
30 enrollment in such school year of preschool-aged low-income students, if  
31 any.

32 (3) The enrollment of a school district shall be adjusted pursuant to  
33 section 10 or 11, and amendments thereto, as applicable.

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

37 (k) "Federal impact aid" means an amount equal to the federally  
38 qualified percentage of the amount of moneys a school district receives in  
39 the current school year under the provisions of title I of public law 874 and  
40 congressional appropriations therefor, excluding amounts received for  
41 assistance in cases of major disaster and amounts received under the low-  
42 rent housing program. The amount of federal impact aid defined herein  
43 shall be determined by the state board in accordance with terms and

1 conditions imposed under the provisions of the public law and rules and  
2 regulations thereunder.

3 (l) (1) Except as provided in subsection (l)(2), "foundation state aid  
4 per student" means an amount appropriated by the legislature in a fiscal  
5 year for the designated year. The amount of foundation state aid per  
6 student shall be as follows:

- 7 (A) For school year 2017-2018, \$4,253;
- 8 (B) for school year 2018-2019, \$4,467;
- 9 (C) for school year 2019-2020, \$4,681; and
- 10 (D) for school year 2020-2021, \$4,895.

11 (2) Commencing in school year 2021-2022, and every other school  
12 year thereafter, the foundation state aid per student shall increase by an  
13 amount equal to the percentage increase in the consumer price index for all  
14 urban consumers in the midwest region as published by the bureau of labor  
15 statistics of the United States department of labor during the second  
16 preceding school year.

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

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

27 (o) "High-density low-income student weighting" means an addend  
28 component assigned to the enrollment of school districts to which the  
29 provisions of section 27, and amendments thereto, apply.

30 (p) "High enrollment weighting" means an addend component  
31 assigned to the enrollment of school districts pursuant to section 22, and  
32 amendments thereto, on the basis of costs attributable to maintenance of  
33 educational programs by such school districts.

34 (q) "Juvenile detention facility" has the same meaning as defined in  
35 K.S.A. 72-8187, and amendments thereto.

36 (r) "Low enrollment weighting" means an addend component  
37 assigned to the enrollment of school districts pursuant to section 21, and  
38 amendments thereto, on the basis of costs attributable to maintenance of  
39 educational programs by such school districts.

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

43 (2) The term "low-income student" shall not include any student

1 enrolled in any of the grades one through 12 who is in attendance less than  
2 full time, or any student who is over 19 years of age. The provisions of this  
3 paragraph shall not apply to any student who has an individualized  
4 education program.

5 (t) "Low-income student weighting" means an addend component  
6 assigned to the enrollment of school districts pursuant to section 26, and  
7 amendments thereto.

8 (u) "Operating expenses" means the total expenditures and lawful  
9 transfers from the general fund of a school district during a school year for  
10 all purposes, except expenditures for the purposes specified in section 41,  
11 and amendments thereto.

12 (v) "Preceding school year" means the school year immediately  
13 before the current school year.

14 (w) "Preschool-aged low-income student" means a low-income  
15 student who has attained the age of four years, is under the age of  
16 eligibility for attendance at kindergarten, and has been selected by the state  
17 board in accordance with guidelines consonant with guidelines governing  
18 the selection of students for participation in head start programs.

19 (x) "Preschool-aged exceptional children" means exceptional  
20 children, except gifted children, who have attained the age of three years  
21 but are under the age of eligibility for attendance at kindergarten. The  
22 terms "exceptional children" and "gifted children" have the same meaning  
23 as those terms are defined in K.S.A. 72-962, and amendments thereto.

24 (y) "Program weighted fund" means the following funds of a school  
25 district: Career technical education fund; preschool-aged at-risk education  
26 fund; and bilingual education fund.

27 (z) "Program weighting" means an addend component assigned to the  
28 enrollment of school districts pursuant to section 23, and amendments  
29 thereto, on the basis of student attendance in educational programs that  
30 differ in cost from regular educational programs.

31 (aa) "Psychiatric residential treatment facility" has the same meaning  
32 as defined in K.S.A. 72-8187, and amendments thereto.

33 (bb) "School district" means a school district organized under the  
34 laws of this state that is maintaining public school for a school term in  
35 accordance with the provisions of K.S.A. 72-1106, and amendments  
36 thereto.

37 (cc) "School facilities weighting" means an addend component  
38 assigned to the enrollment of school districts pursuant to section 24, and  
39 amendments thereto, on the basis of costs attributable to commencing  
40 operation of new school facilities.

41 (dd) "School financing sources" means the sum of the following  
42 amounts:

43 (1) The amount of the proceeds from the tax levied under the

1 authority of section 14, and amendments thereto;

2 (2) an amount equal to any unexpended and unencumbered balance  
3 remaining in the general fund of the school district, except amounts  
4 received by the school district and authorized to be expended for the  
5 purposes specified in section 41, and amendments thereto;

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

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

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

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

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

26 (8) an amount equal to the amount of any grant received by the  
27 school district under the provisions of K.S.A. 72-983, and amendments  
28 thereto; and

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

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

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

35 (gg) "Special education and related services weighting" means an  
36 addend component assigned to the enrollment of school districts pursuant  
37 to section 25, and amendments thereto, on the basis of costs attributable to  
38 provision of special education and related services for students determined  
39 to be exceptional children.

40 (hh) "State board" means the state board of education.

41 (ii) "State financial aid" means an amount equal to the product  
42 obtained by multiplying foundation state aid per student by the adjusted  
43 enrollment of a school district.

1 (jj) (1) "Student" means any person who is regularly enrolled in a  
2 school district and attending kindergarten or any of the grades one through  
3 12 maintained by the school district or who is regularly enrolled in a  
4 school district and attending kindergarten or any of the grades one through  
5 12 in another school district in accordance with an agreement entered into  
6 under authority of K.S.A. 72-8233, and amendments thereto, or who is  
7 regularly enrolled in a school district and attending special education  
8 services provided for preschool-aged exceptional children by the school  
9 district.

10 (2) (A) The following shall be counted as one student:

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

12 (ii) except as provided in subsection (jj)(2)(B), a student enrolled in a  
13 school district and attending special education and related services,  
14 provided for by the school district.

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

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

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

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

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

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

43 (F) A student enrolled in a school district and attending a non-virtual

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

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

9 (3) The following shall not be counted:

10 (A) A student residing at the Flint Hills job corps center;

11 (B) except as provided in subsection (jj)(2), a student confined in and  
12 receiving educational services provided for by a school district at a  
13 juvenile detention facility; and

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

17 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et  
18 seq., and amendments thereto, shall be counted in accordance with the  
19 provisions of this subsection.

20 (kk) "Transportation weighting" means an addend component  
21 assigned to the enrollment of school districts pursuant to section 20, and  
22 amendments thereto, on the basis of costs attributable to the provision or  
23 furnishing of transportation.

24 (ll) "Virtual school" shall have the same meaning as that term is  
25 defined in K.S.A. 2016 Supp. 72-3712, and amendments thereto.

26 New Sec. 5. (a) The state school district finance fund, established by  
27 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in  
28 existence and shall consist of: (1) All moneys credited to such fund under  
29 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and  
30 (2) all amounts transferred to such fund under sections 8, 31, 32 and 33,  
31 and amendments thereto.

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

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

40 New Sec. 6. In each school year, the state board shall determine the  
41 amount of general state aid for each school district for such school year.  
42 The state board shall determine the amount of the school district's school  
43 financing sources for the school year. If the amount of the school district's

1 school financing sources is greater than the amount of state financial aid  
2 determined for the school district for the school year, the school district  
3 shall not receive general state aid in any amount. If the amount of the  
4 school district's school financing sources is less than the amount of state  
5 financial aid determined for the school district for the school year, the state  
6 board shall subtract the amount of the school district's school financing  
7 sources from the amount of state financial aid. The remainder is the  
8 amount of general state aid the school district will receive for the school  
9 year.

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

13 (b) (1) In the months of July through May of each school year, the  
14 state board shall determine the amount of general state aid that will be  
15 required by each school district to maintain operations in each such month.  
16 In making such determination, the state board shall take into consideration  
17 the school district's access to school financing sources and the obligations  
18 of the general fund that must be satisfied during the month. The amount  
19 determined by the state board under this provision is the amount of general  
20 state aid that will be distributed to the school district in the months of July  
21 through May.

22 (2) In the month of June of each school year, payment shall be made  
23 of the full amount of the general state aid determined for the school year  
24 less the sum of the monthly payments made in the months of July through  
25 May pursuant to subsection (b)(1).

26 (c) Payments of general state aid shall be distributed to school  
27 districts once each month on the dates prescribed by the state board. The  
28 state board shall certify to the director of accounts and reports the amount  
29 due as general state aid to each school district in each of the months of  
30 July through June. Such certification, and the amount of general state aid  
31 payable from the state general fund, shall be approved by the director of  
32 the budget. The director of accounts and reports shall draw warrants on the  
33 state treasurer payable to the school district treasurer of each school  
34 district, pursuant to vouchers approved by the state board. Upon receipt of  
35 such warrant, each school district treasurer shall deposit the amount of  
36 general state aid in the general fund of the school district, except that an  
37 amount equal to the amount of federal impact aid not included in the  
38 school financing sources of a school district may be disposed of as  
39 provided in section 39(a), and amendments thereto.

40 (d) If any amount of general state aid that is due to be paid during the  
41 month of June of a school year pursuant to the other provisions of this  
42 section is not paid on or before June 30 of such school year, then such  
43 payment shall be paid on or after the ensuing July 1, as soon as moneys are

1 available therefor. Any payment of general state aid that is due to be paid  
2 during the month of June of a school year and that is paid to school  
3 districts on or after the ensuing July 1 shall be recorded and accounted for  
4 by school districts as a receipt for the school year ending on the preceding  
5 June 30.

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

21 New Sec. 9. On or before October 10 of each school year, the clerk or  
22 superintendent of each school district shall certify under oath to the state  
23 board a report showing the total enrollment of the school district by grades  
24 maintained in the schools of the school district and such other reports as  
25 the state board may require. Each such report shall show postsecondary  
26 education enrollment, career technical education enrollment, special  
27 education enrollment, bilingual education enrollment and low-income  
28 student enrollment in such detail and form as is specified by the state  
29 board. Upon receipt of such reports, the state board shall examine the  
30 reports and if the state board finds any errors in any such report, the state  
31 board shall consult with the school district officer furnishing the report and  
32 make any necessary corrections in the report. On or before August 25 of  
33 each year, each such clerk or superintendent shall also certify to the state  
34 board a copy of the budget adopted by the school district.

35 New Sec. 10. (a) If the state board determines that the enrollment of a  
36 school district in the preceding school year decreased from the enrollment  
37 in the second preceding school year and that a disaster contributed to such  
38 decrease, the enrollment of such school district in the second school year  
39 following the school year in which the enrollment of the school district  
40 was first affected by the disaster shall be the greater of:

41 (1) The enrollment of preschool-aged low-income students, if any,  
42 plus the average of the enrollment for the current and the preceding three  
43 school years, excluding the enrollment of preschool-aged low-income



1 students in each such year; or

2 (2) the enrollment of the school district as defined in section 4, and  
3 amendments thereto.

4 (b) As used in this section, "disaster" means the occurrence of  
5 widespread or severe damage, injury or loss of life or property resulting  
6 from flood, earthquake, tornado, wind, storm, drought, blight or  
7 infestation.

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

9 (1) Determine the number of students enrolled in each school district  
10 on September 20 of the preceding school year;

11 (2) determine the number of military students enrolled in each school  
12 district on September 20 of the preceding school year who were not  
13 enrolled in such school district on February 20 of the same school year;

14 (3) determine the number of military students enrolled in each school  
15 district on February 20 of the preceding school year who were not enrolled  
16 in such school district on September 20 of the same school year; and

17 (4) subtract the number determined under subsection (a)(2) from the  
18 number determined under subsection (a)(3).

19 (b) (1) If the number obtained under subsection (a)(4) is 25 or more,  
20 an amount equal to the number obtained under subsection (a)(4) shall be  
21 added to the number determined under subsection (a)(1). The sum is the  
22 enrollment of the school district; or

23 (2) if the number obtained under subsection (a)(4) is at least 1% of  
24 the number determined under subsection (a)(1), an amount equal to the  
25 number obtained under subsection (a)(4) shall be added to the number  
26 determined under subsection (a)(1). The sum is the enrollment of the  
27 school district.

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

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

34 (e) As used in this section, the term "military student" means a person  
35 who is a dependent of a full-time active duty member of the military  
36 service or a dependent of a member of any of the United States military  
37 reserve forces who has been ordered to active duty under 10 U.S.C. §§  
38 12301, 12302 or 12304, or ordered to full-time active duty for a period of  
39 more than 30 consecutive days under 32 U.S.C. §§ 502(f) or 512 for the  
40 purposes of mobilizing for war, international peacekeeping missions,  
41 national emergency or homeland defense activities.

42 New Sec. 12. Whenever a new school district has been established or  
43 the boundaries of a school district have been changed, the state board shall

1 make appropriate revisions concerning the affected school districts as may  
2 be necessary for the purposes of this act to reflect such establishment of a  
3 school district or changes in boundaries. Such revisions shall be based on  
4 the most reliable data obtainable from the superintendent of the school  
5 district and the county clerk.

6 New Sec. 13. (a) (1) For the purposes of the education finance act,  
7 state financial aid for any school district formed by consolidation in  
8 accordance with the statutory provisions contained in article 87 of chapter  
9 72 of the Kansas Statutes Annotated, and amendments thereto, shall be  
10 computed by the state board by determining the amount of state financial  
11 aid each of the former school districts that comprise the consolidated  
12 school district received in the school year preceding the date the  
13 consolidation was completed, and calculating the sum of such amounts.  
14 The sum is the state financial aid of the consolidated school district for the  
15 school year in which the consolidation was completed.

16 (2) If any of the former school districts had an enrollment of less than  
17 150 students on September 20 of the school year preceding the  
18 consolidation, the state financial aid of the newly consolidated school  
19 district for the two school years following the school year in which the  
20 consolidation was completed shall be the greater of: (A) The amount  
21 received in the school year in which the consolidation was completed; or  
22 (B) the amount the school district would receive under the education  
23 finance act.

24 (3) If all of the former school districts had an enrollment of at least  
25 150 students, but any had less than 200 students on September 20 of the  
26 school year preceding the consolidation, the state financial aid of the  
27 newly consolidated school district for the three school years following the  
28 school year in which the consolidation was completed shall be the greater  
29 of: (A) The amount received in the school year in which the consolidation  
30 was completed; or (B) the amount the school district would receive under  
31 the education finance act.

32 (4) If all of the former school districts had an enrollment of 200 or  
33 more students on September 20 of the school year preceding the  
34 consolidation, the state financial aid of the newly consolidated school  
35 district for the four school years following the school year in which the  
36 consolidation was completed shall be the greater of: (A) The amount  
37 received in the school year in which the consolidation was completed; or  
38 (B) the amount the school district would receive under the education  
39 finance act.

40 (5) If the consolidation involved the consolidation of three or more  
41 school districts, regardless of the number of students enrolled in the school  
42 districts, the state financial aid of the newly consolidated school district for  
43 the four school years following the school year in which the consolidation

1 was completed shall be the greater of: (A) The amount received in the  
2 school year in which the consolidation was completed; or (B) the amount  
3 the school district would receive under the education finance act.

4 (b) (1) The provisions of this subsection shall apply to school districts  
5 that have been enlarged by the attachment of territory pursuant to the  
6 procedure established in article 73 of chapter 72 of the Kansas Statutes  
7 Annotated, and amendments thereto.

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

16 (3) If any of the former school districts had an enrollment of less than  
17 150 students on September 20 of the school year preceding the attachment,  
18 the state financial aid of the enlarged school district for the two school  
19 years following the school year in which the attachment was completed  
20 shall be the greater of: (A) The amount received in the school year in  
21 which the attachment was completed; or (B) the amount the school district  
22 would receive under the education finance act.

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

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

38 (6) If three or more school districts, regardless of the number of  
39 students 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 education finance act.

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

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

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

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

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

41 (b) The tax required under subsection (a) shall be levied at a rate of  
42 20 mills in the school years 2017-2018 and 2018-2019.

43 (c) The proceeds from the tax levied by a school district under

1 authority of this section, except the proceeds of such tax levied for the  
2 purpose of paying a portion of the principal and interest on bonds issued  
3 by cities under authority of K.S.A. 12-1774, and amendments thereto, for  
4 the financing of redevelopment projects upon property located within the  
5 school district, shall be deposited in the general fund of the school district.

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

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

11 (b) Subject to the limitations of subsection (a), in each school year,  
12 the board of any school district may adopt, by resolution, a local option  
13 budget in an amount that does not exceed:

14 (1) The amount that the board was authorized to adopt under any  
15 resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its  
16 expiration; or

17 (2) the state-wide average for the preceding school year as  
18 determined by the state board pursuant to subsection (i).

19 The adoption of a resolution pursuant to this section shall require a  
20 majority vote of the members of the board. Such resolution shall be  
21 effective upon adoption and shall require no other procedure, authorization  
22 or approval.

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

31 Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas.

32 RESOLUTION

33 Be It Resolved that:

34 The board of education of the above-named school district shall be  
35 authorized to adopt a local option budget in each school year in an amount  
36 not to exceed \_\_\_\_% of the amount of state financial aid. The local option  
37 budget authorized by this resolution may be adopted, unless a petition in  
38 opposition to the same, signed by not less than 5% of the qualified electors  
39 of the school district, is filed with the county election officer of the home  
40 county of the school district within 30 days after publication of this  
41 resolution. If a petition is filed, the county election officer shall submit the  
42 question of whether adoption of the local option budget shall be authorized  
43 to the electors of the school district at an election called for the purpose or

1 at the next general election, as is specified by the board of education of the  
2 school district.

3 CERTIFICATE

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

7 \_\_\_\_\_  
8 Clerk of the board of education.

9 All of the blanks in the resolution shall be filled appropriately. If a  
10 sufficient petition is not filed, the board may adopt a local option budget.  
11 If a sufficient petition is filed, the board may notify the county election  
12 officer of the date of an election to be held to submit the question of  
13 whether adoption of a local option budget shall be authorized. Any such  
14 election shall be noticed, called and held in the manner provided by K.S.A.  
15 10-120, and amendments thereto. If the board fails to notify the county  
16 election officer within 30 days after a sufficient petition is filed, the  
17 resolution shall be deemed abandoned and no like resolution shall be  
18 adopted by the board within the nine months following publication of the  
19 resolution.

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

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

34 (f) The board of any school district authorized to adopt a local option  
35 budget prior to July 1, 2017, under a resolution that authorized the  
36 adoption of such budget in accordance with the provisions of K.S.A. 2016  
37 Supp. 72-6471, prior to its expiration, may continue to operate under such  
38 resolution for the period of time specified in the resolution or may  
39 abandon the resolution and operate under the provisions of this section.  
40 Any such school district shall operate under the provisions of this section  
41 after the period of time specified in any previously adopted resolution has  
42 expired.

43 (g) Any resolution adopted pursuant to this section may revoke or

1 repeal any resolution previously adopted by the board. If the resolution  
2 does not revoke or repeal previously adopted resolutions, all resolutions  
3 which are in effect shall expire on the same date. The maximum amount of  
4 the local option budget of a school district under all resolutions in effect  
5 shall not exceed the state prescribed percentage in any school year.

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

9 (2) Subject to the limitations imposed under subsection (h)(3),  
10 amounts in the supplemental general fund may be expended for any  
11 purpose for which expenditures from the general fund are authorized or  
12 may be transferred to any program weighted fund or categorical fund of  
13 the school district. Amounts in the supplemental general fund attributable  
14 to any percentage over 25% of state financial aid determined for the  
15 current school year may be transferred to the capital improvements fund of  
16 the school district and the capital outlay fund of the school district if such  
17 transfers are specified in the resolution authorizing the adoption of a local  
18 option budget in excess of 25%.

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

23 (4) (A) Except as provided in subsection (h)(4)(B), any unexpended  
24 moneys remaining in the supplemental general fund of a school district at  
25 the conclusion of any school year in which a local option budget is  
26 adopted shall be maintained in such fund.

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

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

40 (j) The provisions of this section shall be subject to the provisions of  
41 section 16, and amendments thereto.

42 (k) As used in this section:

43 (1) "Authorized to adopt a local option budget" means that a school

1 district has adopted a resolution pursuant to subsection (c).

2 (2) "State financial aid" shall have the meaning provided in section 4,  
3 and amendments thereto.

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

6 New Sec. 16. (a) (1) The provisions of this subsection shall apply in  
7 any school year in which the amount of foundation state aid per student is  
8 \$4,490 or less.

9 (2) The board of any school district may adopt a local option budget  
10 that does not exceed the local option budget calculated as if the foundation  
11 state aid per student was \$4,490, or that does not exceed the local option  
12 budget as calculated pursuant to section 15, and amendments thereto,  
13 whichever is greater.

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

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

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

25 New Sec. 17. (a) In each school year, each school district that has  
26 adopted a local option budget is eligible to receive supplemental general  
27 state aid. Except as provided by section 18, and amendments thereto,  
28 supplemental general state aid shall be determined by the state board as  
29 provided in subsection (b).

30 (b) The state board shall:

31 (1) (A) For school year 2017-2018, determine the amount of the  
32 assessed valuation per student in the preceding school year of each school  
33 district; and

34 (B) for school year 2018-2019 and each school year thereafter,  
35 determine the average assessed valuation per student of each school  
36 district by adding the assessed valuation per student for each of the three  
37 immediately preceding school years and dividing the resulting sum by  
38 three;

39 (2) rank the school districts from low to high on the basis of the  
40 amounts of assessed valuation per student determined under subsection (b)  
41 (1);

42 (3) identify the amount of the assessed valuation per student located  
43 at the 81.2 percentile of the amounts ranked under subsection (b)(2);



1 (4) divide the assessed valuation per student of the school district as  
2 determined under subsection (b)(1) by the amount identified under  
3 subsection (b)(3); and

4 (5) (A) If the quotient obtained under subsection (b)(4) equals or  
5 exceeds one, the school district shall not receive supplemental general  
6 state aid; or

7 (B) if the quotient obtained under subsection (b)(4) is less than one,  
8 subtract the quotient obtained under subsection (b)(4) from one, and  
9 multiply the difference by the amount of the local option budget of the  
10 school district for the immediately preceding school year. The resulting  
11 product is the amount of supplemental general state aid the school district  
12 is to receive for the school year.

13 (c) If the amount of appropriations for supplemental general state aid  
14 is less than the aggregate amount all school districts are to receive for the  
15 school year, the state board shall prorate the amount appropriated among  
16 the school districts in proportion to the amount each school district is to  
17 receive.

18 (d) Payments of supplemental general state aid shall be distributed to  
19 school districts on the dates prescribed by the state board. The state board  
20 shall certify to the director of accounts and reports the amount due each  
21 school district, and the director of accounts and reports shall draw a  
22 warrant on the state treasurer payable to the treasurer of the school district.  
23 Upon receipt of the warrant, the treasurer of the school district shall credit  
24 the amount thereof to the supplemental general fund of the school district  
25 to be used for the purposes of such fund.

26 (e) For the purposes of determining the total amount of state moneys  
27 paid to school districts, all moneys appropriated as supplemental general  
28 state aid shall be deemed to be state moneys for educational and support  
29 services for school districts.

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

35 (2) For the school year in which the consolidation or attachment is  
36 effectuated and the next succeeding two school years, the ranking of the  
37 school district for the purposes of section 17(b)(2), and amendments  
38 thereto, shall be the ranking of the school district receiving the highest  
39 amount of supplemental general state aid determined under subsection (a)  
40 (1).

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

43 (c) As used in this section, "school district" means: (1) Any school

1 district formed by consolidation in accordance with article 87 of chapter  
2 72 of the Kansas Statutes Annotated, and amendments thereto; or (2) any  
3 school district formed by disorganization and attachment in accordance  
4 with article 73 of chapter 72 of the Kansas Statutes Annotated, and  
5 amendments thereto, if all the territory which comprised a disorganized  
6 school district is attached to a single school district.

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

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

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

16 (3) funding transfers to the capital improvement fund of the school  
17 district and the capital outlay fund of the school district if such transfers  
18 are specified in the resolution authorizing the adoption of a local option  
19 budget in excess of 25% of state financial aid determined for the current  
20 school year.

21 (b) The proceeds from the tax levied by a school district under  
22 authority of this section, except the proceeds of such tax levied for the  
23 purpose of paying a portion of the principal and interest on bonds issued  
24 by cities under authority of K.S.A. 12-1774, and amendments thereto, for  
25 the financing of redevelopment projects upon property located within the  
26 school district, shall be deposited in the supplemental general fund of the  
27 school district.

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

30 New Sec. 20. (a) The transportation weighting of each school district  
31 shall be determined by the state board as follows:

32 (1) Determine the total expenditures of the school district during the  
33 preceding school year from all funds for transporting students of public  
34 and nonpublic schools on regular school routes;

35 (2) divide the amount determined under subsection (a)(1) by the total  
36 number of students who were included in the enrollment of the school  
37 district in the preceding school year and for whom transportation was  
38 made available by the school district;

39 (3) multiply the quotient obtained under subsection (a)(2) by the total  
40 number of students who were included in the enrollment of the school  
41 district in the preceding school year, were residing less than the designated  
42 distance by the usually traveled road from the school building they  
43 attended, and for whom transportation was made available by the school

1 district;

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

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

5 (6) divide the remainder obtained under subsection (a)(5) by the total  
6 number of students who were included in the enrollment of the school  
7 district in the preceding school year, were residing the designated distance  
8 or more by the usually traveled road from the school building they  
9 attended and for whom transportation was made available by the school  
10 district. The quotient is the per-student cost of transportation;

11 (7) on a density-cost graph, plot the per-student cost of transportation  
12 for each school district;

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

14 (9) locate the index of density for the school district on the base line  
15 of the density-cost graph and from the point on the curve of best fit  
16 directly above this point of index of density follow a line parallel to the  
17 base line to the point of intersection with the vertical line, which point is  
18 the formula per-student cost of transportation of the school district;

19 (10) divide the formula per-student cost of transportation of the  
20 school district by foundation state aid per student;

21 (11) multiply the quotient obtained under subsection (a)(10) by the  
22 number of students who are included in the enrollment of the school  
23 district, are residing the designated distance or more by the usually  
24 traveled road to the school building they attend, and for whom  
25 transportation is actually provided by, and at the expense of, the school  
26 district. The product is the transportation weighting of the school district.

27 (b) For the purpose of providing accurate and reliable data on student  
28 transportation, the state board is authorized to adopt rules and regulations  
29 prescribing procedures that school districts shall follow in reporting  
30 pertinent information, including uniform reporting of expenditures for  
31 transportation.

32 (c) As used in this section:

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

36 (2) "Density-cost graph" means a drawing having: (1) A horizontal or  
37 base line divided into equal intervals of density, beginning with zero on the  
38 left; and (2) a scale for per-student cost of transportation to be shown on a  
39 line perpendicular to the base line at the left end thereof, such scale to  
40 begin with zero dollars at the base line ascending by equal per-student cost  
41 intervals.

42 (3) "Designated distance" means:

43 (A) For school year 2017-2018, 2<sup>1</sup>/<sub>2</sub> miles;

- 1 (B) For school year 2018-2019, 2 miles;  
2 (C) For school year 2019-2020, 1½ miles;  
3 (D) For school year 2020-2021 and each school year thereafter, 1  
4 mile.

5 (4) "Index of density" means the number of students who are  
6 included in the enrollment of a school district in the current school year,  
7 are residing the designated distance or more by the usually traveled road  
8 from the school building they attend, and for whom transportation is being  
9 made available on regular school routes by the school district, divided by  
10 the number of square miles of territory in the school district.

11 New Sec. 21. The low enrollment weighting shall be determined by  
12 the state board as follows:

13 (a) For school districts with an enrollment of 1,622 or more, the low  
14 enrollment weighting shall be 0;

15 (b) for school districts with an enrollment of less than 100, the low  
16 enrollment weighting shall be equal to the low enrollment weighting of a  
17 school district with an enrollment of 100;

18 (c) for school districts with an enrollment of less than 1,622 and more  
19 than 99, the low enrollment weighting shall be determined as follows:

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

22 (2) multiply the low enrollment weighting of each school district  
23 determined under subsection (c)(1) by 3,863;

24 (3) add 3,863 to the product obtained under subsection (c)(2);

25 (4) divide the sum obtained under subsection (c)(3) by 4,107; and

26 (5) subtract one from the quotient obtained under subsection (c)(4).

27 The difference shall be the low enrollment weighting of the school district.

28 New Sec. 22. The high enrollment weighting of each school district  
29 with an enrollment of 1,622 or more shall be determined by the state board  
30 as follows:

31 (a) Determine the schedule amount for a school district with an  
32 enrollment of 1,622 as derived from the linear transition under section  
33 21(c), and amendments thereto, and subtract the amount determined under  
34 section 21(b), and amendments thereto, from the schedule amount so  
35 determined;

36 (b) divide the remainder obtained under subsection (a) by the amount  
37 determined under section 21(b), and amendments thereto; and

38 (c) multiply the quotient obtained under subsection (b) by the  
39 enrollment of the school district in the current school year. The product is  
40 the high enrollment weighting of the school district.

41 New Sec. 23. (a) The program weighting of each school district shall  
42 be determined by the state board as follows:

43 (1) Determine the full-time equivalent enrollment in approved

1 programs of bilingual education during the preceding school year and  
2 multiply such enrollment by 0.395;

3 (2) determine the full-time equivalent enrollment in approved career  
4 technical education programs during the preceding school year and  
5 multiply such enrollment by 0.5;

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

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

11 New Sec. 24. (a) For each school year in which the school facilities  
12 weighting may be assigned to the enrollment of a school district, such  
13 weighting of such school district shall be determined as follows:

14 (1) Determine the number of students included in the enrollment of  
15 the school district who are attending a new school facility;

16 (2) multiply the number of students determined under subsection (a)  
17 (1) by 0.25. The product is the school facilities weighting of the school  
18 district.

19 (b) The school facilities weighting may be assigned to the enrollment  
20 of a school district only if:

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

24 (2) (A) The contractual bond obligations incurred by the school  
25 district were approved by the electors of the school district at an election  
26 held on or before July 1, 2017; or

27 (B) the school district commences operation of a new school facility  
28 in school year 2017-2018 or 2018-2019 and the construction of such  
29 facility was financed primarily with federal funds and such facility is  
30 located on a military reservation.

31 (c) The school facilities weighting may be assigned to the enrollment  
32 of the school district only in the school year in which operation of a new  
33 school facility is commenced and in the next succeeding school year.

34 New Sec. 25. The special education and related services weighting of  
35 each school district shall be determined by the state board as follows:

36 (a) Add the amount of payments received by the school district under  
37 the provisions of K.S.A. 72-979, and amendments thereto, to the amount  
38 of any grant received by the school district under the provisions of K.S.A.  
39 72-983, and amendments thereto; and

40 (b) divide the sum obtained under subsection (a) by the foundation  
41 state aid per student. The quotient is the special education and related  
42 services weighting of the school district.

43 New Sec. 26. (a) For school year 2017-2018, and each school year

1 thereafter, the low-income student weighting of each school district shall  
2 be determined by the state board by multiplying the number of low-income  
3 students included in the enrollment of the school district by 0.456. The  
4 product is the low-income student weighting of the school district.

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

8 New Sec. 27. (a) The high-density low-income student weighting of  
9 each school district shall be determined by the state board in accordance  
10 with this section.

11 (b) (1) If the enrollment of the school district is at least 35%, but less  
12 than 50% low-income students, the state board shall:

13 (A) Subtract 35% from the percentage of low-income student  
14 enrollment in the school district;

15 (B) multiply the amount determined under subsection (b)(1)(A) by  
16 0.7; and

17 (C) multiply the enrollment of low-income students in the school  
18 district by the product determined under subsection (b)(1)(B). The  
19 resulting product is the high-density low-income student weighting of the  
20 school district; or

21 (2) if the enrollment of the school district is 50% or more low-income  
22 students, the state board shall multiply the number of low-income students  
23 by 0.105. The resulting product is the high-density low-income student  
24 weighting of the school district.

25 New Sec. 28. (a) There is hereby established in every school district  
26 an at-risk education fund, which shall consist of all moneys deposited  
27 therein or transferred thereto according to law. The expenses of a school  
28 district directly attributable to providing at-risk student assistance or  
29 programs shall be paid from the at-risk education fund.

30 (b) (1) Any balance remaining in the at-risk education fund at the end  
31 of the budget year shall be carried forward into the at-risk education fund  
32 for succeeding budget years. Such fund shall not be subject to the  
33 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
34 In preparing the budget of such school district, the amounts credited to and  
35 the amount on hand in the at-risk education fund, and the amount  
36 expended therefrom shall be included in the annual budget for the  
37 information of the residents of the school district.

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

43 (c) Each year the board of each school district shall prepare and

1 submit to the state board a report on the at-risk student assistance or  
2 programs provided by the school district. Such report shall include the  
3 number of students who were served or provided assistance, the type of  
4 service provided, the research upon which the school district relied in  
5 determining that a need for service or assistance existed, the results of  
6 providing such service or assistance and any other information required by  
7 the state board.

8 (d) In order to achieve uniform reporting of the number of students  
9 provided service or assistance by school districts in at-risk student  
10 programs, school districts shall report the number of students served or  
11 assisted in the manner required by the state board.

12 New Sec. 29. (a) There is hereby established in every school district a  
13 preschool-aged at-risk education fund, which shall consist of all moneys  
14 deposited therein or transferred thereto according to law. The expenses of a  
15 school district directly attributable to providing preschool-aged at-risk  
16 assistance or programs shall be paid from the preschool-aged at-risk  
17 education fund.

18 (b) A school district may expend amounts received from the  
19 preschool-aged low-income weighting to pay the cost of providing at-risk,  
20 bilingual and career technical education programs and services.

21 (c) (1) Any balance remaining in the preschool-aged at-risk education  
22 fund at the end of the budget year shall be carried forward into the  
23 preschool-aged at-risk education fund for succeeding budget years. Such  
24 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-  
25 2937, and amendments thereto. In preparing the budget of such school  
26 district, the amounts credited to and the amount on hand in the preschool-  
27 aged at-risk education fund, and the amount expended therefrom shall be  
28 included in the annual budget for the information of the residents of the  
29 school district.

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

35 (d) Each year the board of each school district shall prepare and  
36 submit to the state board a report on the preschool-aged at-risk student  
37 assistance or programs provided by the school district. Such report shall  
38 include the number of students who were served or provided assistance,  
39 the type of service provided, the research upon which the school district  
40 relied in determining that a need for service or assistance existed, the  
41 results of providing such service or assistance and any other information  
42 required by the state board.

43 New Sec. 30. For the purpose of determining the general fund budget

1 of a school district, weightings shall not be assigned to a student enrolled  
2 in and attending KAMS. Moneys in the general fund that are attributable  
3 to a student enrolled in and attending KAMS shall not be included in the  
4 computation of the local option budget of the school district.

5 New Sec. 31. (a) (1) The board of any school district to which the  
6 provisions of this subsection apply may levy an ad valorem tax on the  
7 taxable tangible property of the school district each year for a period of  
8 time not to exceed two years in an amount not to exceed the amount  
9 authorized by the state board of tax appeals under this subsection for the  
10 purpose of financing the costs incurred by the state that are directly  
11 attributable to assignment of ancillary school facilities weighting to the  
12 enrollment of the school district. The state board of tax appeals may  
13 authorize the school district to make a levy that will produce an amount  
14 that is not greater than the difference between the amount of costs directly  
15 attributable to commencing operation of one or more new school facilities  
16 and the amount that is financed from any other source provided by law for  
17 such purpose, including any amount attributable to assignment of school  
18 facilities weighting to the enrollment of the school district for each school  
19 year in which the school district is eligible for such weighting. If the  
20 school district is not eligible, or will be ineligible, for school facilities  
21 weighting in any one or more years during the two-year period for which  
22 the school district is authorized to levy a tax under this subsection, the  
23 state board of tax appeals may authorize the school district to make a levy,  
24 in such year or years of ineligibility, that will produce an amount that is  
25 not greater than the actual amount of costs attributable to commencing  
26 operation of the facility or facilities.

27 (2) The state board of tax appeals shall certify to the state board the  
28 amount authorized to be produced by the levy of a tax under this  
29 subsection.

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

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

37 (A) Commenced operation of one or more new school facilities in the  
38 school year preceding the current school year or has commenced or will  
39 commence operation of one or more new school facilities in the current  
40 school year;

41 (B) is authorized to adopt and has adopted a local option budget that  
42 is at least equal to that amount required to qualify for school facilities  
43 weighting under section 24, and amendments thereto; or



1 (C) is experiencing extraordinary enrollment growth as determined by  
2 the state board.

3 (b) The board of any school district that has levied an ad valorem tax  
4 on the taxable tangible property of the school district each year for a  
5 period of two years under authority of subsection (a) may continue to levy  
6 such tax under authority of this subsection each year for an additional  
7 period of time not to exceed six years in an amount not to exceed the  
8 amount computed by the state board as provided in this subsection if the  
9 board of the school district determines that the costs attributable to  
10 commencing operation of one or more new school facilities are  
11 significantly greater than the costs attributable to the operation of other  
12 school facilities in the school district. The tax authorized under this  
13 subsection may be levied at a rate that will produce an amount that is not  
14 greater than the amount computed by the state board as provided in this  
15 subsection. In computing such amount, the state board shall:

16 (1) Determine the amount produced by the tax levied by the school  
17 district under authority of subsection (a) in the second year for which such  
18 tax was levied and add to such amount the amount of general state aid  
19 directly attributable to school facilities weighting that was received by the  
20 school district in the same year;

21 (2) compute 90% 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 first year of the six-year period for which the school district may  
24 levy a tax under authority of this subsection;

25 (3) compute 75% 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 second year of the six-year period for which the school district may  
28 levy a tax under authority of this subsection;

29 (4) compute 60% 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 third year of the six-year period for which the school district may  
32 levy a tax under authority of this subsection;

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

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

41 (7) compute 15% of the amount of the sum obtained under subsection  
42 (b)(1), which computed amount is the amount the school district may levy  
43 in the sixth year of the six-year period for which the school district may

1 levy a tax under authority of this subsection.

2 In determining the amount produced by the tax levied by the school  
3 district under authority of subsection (a), the state board shall include any  
4 moneys apportioned to the ancillary facilities fund of the school district  
5 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-  
6 5118 et seq., and amendments thereto.

7 (c) The proceeds from any tax levied by a school district under  
8 authority of this section shall be remitted to the state treasurer in  
9 accordance with the provisions of K.S.A. 75-4215, and amendments  
10 thereto. Upon receipt of each such remittance, the state treasurer shall  
11 deposit the entire amount in the state treasury to the credit of the state  
12 school district finance fund.

13 (d) The ancillary school facilities weighting may be assigned to the  
14 enrollment of a school district only if the school district has levied a tax  
15 under the authority of subsection (a), and remitted the proceeds from such  
16 tax to the state treasurer. The ancillary school facilities weighting is in  
17 addition to assignment of school facilities weighting to the enrollment of a  
18 school district eligible for such weighting. The ancillary school facilities  
19 weighting of each school district shall be determined in each school year  
20 in which such weighting may be assigned to the enrollment of the school  
21 district as follows:

22 (1) Add the amount to be produced by a tax levy as authorized under  
23 subsection (a) and certified to the state board by the state board of tax  
24 appeals to the amount computed under subsection (b) to be produced by a  
25 tax levy, if any; and

26 (2) divide the sum obtained under subsection (d)(1) by the foundation  
27 state aid per student. The quotient is the ancillary school facilities  
28 weighting of the school district.

29 New Sec. 32. (a) Subject to subsection (b), the board of any school  
30 district may levy a tax on the taxable tangible property within the school  
31 district for the purpose of financing the costs incurred by the state that are  
32 attributable directly to assignment of the cost-of-living weighting to the  
33 enrollment of the school district.

34 (b) The state board shall determine whether a school district may levy  
35 a tax under this section as follows:

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

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

39 (3) determine the average appraised value of single family residences  
40 in each school district for the calendar year preceding the current school  
41 year; and

42 (4) subtract the amount determined under subsection (b)(2) from the  
43 amount determined under subsection (b)(3). If the amount determined for

1 the school district is a positive number and the school district has adopted  
 2 a local option budget in an amount equal to at least 31% of the state  
 3 financial aid for the school district, the school district qualifies for  
 4 assignment of cost-of-living weighting and may levy a tax on the taxable  
 5 tangible property of the school district for the purpose of financing the  
 6 costs that are attributable directly to assignment of the cost-of-living  
 7 weighting to the enrollment of the school district.

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

13 Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas.

14 RESOLUTION

15 Be It Resolved that:

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

29 CERTIFICATE

30 This is to certify that the above resolution was duly adopted by the  
 31 board of education of Unified School District No. \_\_\_\_\_,  
 32 \_\_\_\_\_ County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, (year)\_\_\_\_.

33 \_\_\_\_\_  
 34 Clerk of the board of education.

35 All of the blanks in the resolution shall be filled appropriately. If no  
 36 petition as specified above is filed in accordance with the provisions of the  
 37 resolution, the resolution authorizing the ad valorem tax levy shall become  
 38 effective. If a petition is filed as provided in the resolution, the board may  
 39 notify the county election officer to submit the question of whether such  
 40 tax levy shall be authorized. If the board fails to notify the county election  
 41 officer within 30 days after a petition is filed, the resolution shall be  
 42 deemed abandoned and of no force and effect and no like resolution shall  
 43 be adopted by the board within the nine months following publication of

1 the resolution. If a majority of the votes cast in an election conducted  
2 pursuant to this provision are in favor of the resolution, such resolution  
3 shall be effective on the date of such election. If a majority of the votes  
4 cast are not in favor of the resolution, the resolution shall be deemed of no  
5 effect and no like resolution shall be adopted by the board within the nine  
6 months following such election.

7 (d) There is hereby established in every school district a cost-of-  
8 living fund, which shall consist of all moneys deposited therein or  
9 transferred thereto in accordance with law. All moneys derived from a tax  
10 imposed pursuant to this section shall be credited to the cost-of-living  
11 fund. The proceeds from the tax levied by a school district credited to the  
12 cost-of-living fund shall be remitted to the state treasurer in accordance  
13 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon  
14 receipt of each such remittance, the state treasurer shall deposit the entire  
15 amount in the state treasury to the credit of the state school district finance  
16 fund.

17 (e) In determining the amount produced by the tax levied by the  
18 school district under the authority of this section, the state board shall  
19 include any moneys apportioned to the cost-of-living fund of the school  
20 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.  
21 and 79-5118 et seq., and amendments thereto.

22 (f) The cost-of-living weighting of a school district shall be  
23 determined by the state board in each school year in which such weighting  
24 may be assigned to the enrollment of the school district as follows:

25 (1) Divide the amount determined under subsection (b)(4) by the  
26 amount determined under subsection (b)(2);

27 (2) multiply the quotient determined under subsection (f)(1) by 0.095;

28 (3) multiply the school district's state financial aid for the current  
29 school year, excluding the amount determined under this provision, by the  
30 lesser of the product determined under subsection (f)(2) or 0.05; and

31 (4) divide the product determined under subsection (f)(3) by the  
32 foundation state aid per student for the current school year. The quotient is  
33 the cost-of-living weighting of the school district.

34 New Sec. 33. (a) (1) The board of any school district may levy an ad  
35 valorem tax on the taxable tangible property of the school district each  
36 year for a period of time not to exceed two years, unless authority to make  
37 such levy is renewed by the state board of tax appeals, in an amount not to  
38 exceed the amount authorized by the state board of tax appeals under this  
39 section for the purpose of financing the costs incurred by the state that are  
40 directly attributable to assignment of declining enrollment weighting to the  
41 enrollment of the school district. The state board of tax appeals may  
42 authorize the school district to make a levy that will produce an amount  
43 that is not greater than the amount of revenues lost as a result of the

1 declining enrollment of the school district. Such amount shall not exceed  
2 5% of the general fund budget of the school district in the school year in  
3 which the school district applies to the state board of tax appeals for  
4 authority to make a levy pursuant to this subsection. The state board of tax  
5 appeals may renew the authority to make such levy for periods of time not  
6 to exceed two years.

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

9 (3) The state board shall prescribe guidelines for the data that school  
10 districts shall include in cases before the state board of tax appeals  
11 pursuant to this section. The state board shall provide to the state board of  
12 tax appeals such school data and information requested by the state board  
13 of tax appeals and any other information deemed necessary by the state  
14 board.

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

25 (c) In determining the amount produced by the tax levied by the  
26 school district under authority of this section, the state board shall include  
27 any moneys apportioned to the declining enrollment fund of the school  
28 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.  
29 and 79-5118 et seq., and amendments thereto.

30 (d) The declining enrollment weighting of a school district shall be  
31 determined by the state board in each school year in which such weighting  
32 may be assigned to the enrollment of the school district. The state board  
33 shall divide the amount certified under subsection (a)(2) by the foundation  
34 state aid per student. The resulting quotient is the declining enrollment  
35 weighting of the school district.

36 (e) As used in this section:

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

39 (2) "School district" means a school district that: (A) Has a declining  
40 enrollment; and (B) has adopted a local option budget in an amount that  
41 equals at least 31% of the state financial aid for the school district at the  
42 time the school district applies to the state board of tax appeals for  
43 authority to make a levy pursuant to this section.

1 New Sec. 34. (a) There is hereby established in every school district a  
2 special education fund, which shall consist of all moneys deposited therein  
3 or transferred thereto according to law. Notwithstanding any other  
4 provision of law, all moneys received by the school district from any  
5 source for special education shall be credited to the special education fund  
6 established by this section, except that: (1) Amounts of payments received  
7 by a school district under K.S.A. 72-979, and amendments thereto, and  
8 amounts of grants received by a school district under K.S.A. 72-983, and  
9 amendments thereto, shall be deposited in the general fund of the school  
10 district and transferred to the special education fund; and (2) moneys  
11 received by a school district pursuant to lawful agreements made under  
12 K.S.A. 72-968, and amendments thereto, shall be credited to the special  
13 fund established under such agreements.

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

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

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

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

1 (b) (1) Any balance remaining in the career technical education fund  
2 at the end of the budget year shall be carried forward into the career  
3 technical education fund for succeeding budget years. Such fund shall not  
4 be subject to the provisions of K.S.A. 79-2925 through 79-2937, and  
5 amendments thereto. In preparing the budget of such school district, the  
6 amounts credited to and the amount on hand in the career technical  
7 education fund, and the amount expended therefrom shall be included in  
8 the annual budget for the information of the residents of the school district.

9 (2) Any unencumbered balance of moneys attributable to  
10 appropriations by the legislature in the career technical education fund of a  
11 school district on June 30 of the current school year may be expended in  
12 the school year that immediately succeeds such date by the school district  
13 for general operating expenses of the school district as approved by the  
14 board.

15 New Sec. 36. (a) There is hereby established in every school district a  
16 driver training fund, which shall consist of all moneys deposited therein or  
17 transferred thereto according to law. All moneys received by the school  
18 district from distributions made from the state safety fund and the  
19 motorcycle safety fund and from tuition, fees or charges for driver training  
20 courses shall be credited to the driver training fund. The expenses of a  
21 school district directly attributable to driver training shall be paid from the  
22 driver training fund.

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

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

34 New Sec. 38. (a) There is hereby established in every school district a  
35 contingency reserve fund, which shall consist of all moneys deposited  
36 therein or transferred thereto according to law. The fund shall be  
37 maintained for payment of expenses of a school district attributable to  
38 financial contingencies as determined by the board.

39 (b) Any unencumbered balance of moneys remaining in the  
40 contingency reserve fund of a school district on June 30 of the current  
41 school year may be expended in the school year that immediately succeeds  
42 such date by the school district for general operating expenses of the  
43 school district as approved by the board.

1 New Sec. 39. (a) Except as otherwise provided in this section, any  
2 revenues of a school district, not required by law to be deposited in or  
3 credited to a specific fund, shall be deposited in or credited to any program  
4 weighted fund or any categorical fund of the school district or to the  
5 capital outlay fund of the school district.

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

10 (c) (1) At the discretion of the board of any school district and subject  
11 to subsection (c)(2), any revenues specified in subsections (a) and (b) may  
12 be deposited in or credited to the general fund of the school district in any  
13 school year for which the allotment system authorized under K.S.A. 75-  
14 3722, and amendments thereto, has been inaugurated and applied to  
15 appropriations made for general state aid, or in any school year for which  
16 any portion of the appropriations made for general state aid are lapsed by  
17 an act of the legislature.

18 (2) In no event may the amount of revenues deposited in or credited  
19 to the general fund of the school district under authority of subsection (c)  
20 (1) exceed an amount equal to the amount of the reduction in general state  
21 aid paid to the school district determined by the state board to be the result  
22 of application of the allotment system to the appropriations made for  
23 general state aid or of the lapse of any portion thereof by an act of the  
24 legislature.

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

35 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and  
36 amendments thereto, conflict with this section, this section shall control.

37 New Sec. 40. (a) Any lawful transfer of moneys from the general  
38 fund of a school district to any other fund shall be an operating expense in  
39 the year the transfer is made. The board of any school district may transfer  
40 moneys from the general fund to any categorical fund of the school district  
41 in any school year. The board of any school district may transfer moneys  
42 from the general fund to any program weighted fund of the school district,  
43 subject to the following conditions:



1 (1) No board shall transfer moneys in any amount from the general  
2 fund to a program weighted fund prior to maturation of the obligation of  
3 the fund necessitating the transfer; and

4 (2) the board may transfer moneys in an amount not to exceed the  
5 amount of the obligation of the program weighted fund necessitating the  
6 transfer.

7 (b) The board of any school district may transfer moneys from the  
8 general fund to the contingency reserve fund of the school district, subject  
9 to any limitations imposed upon the amount authorized to be maintained in  
10 the contingency reserve fund.

11 (c) The board of any school district may transfer moneys from the  
12 general fund to the:

13 (1) Capital outlay fund;

14 (2) special reserve fund;

15 (3) special liability expense fund; and

16 (4) textbook and student materials revolving fund.

17 (d) In each school year, any board may transfer to its general fund  
18 from any fund to which transfers from the general fund are authorized an  
19 amount not to exceed an amount equal to the amount transferred from the  
20 general fund to any such fund in the same school year.

21 New Sec. 41. Expenditures of a school district for the following  
22 purposes are not operating expenses:

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

27 (b) payments to another school district under K.S.A. 72-7105a, and  
28 amendments thereto;

29 (c) the maintenance of student activities that are reimbursed;

30 (d) expenditures from any lawfully authorized fund of a school  
31 district other than its general fund;

32 (e) the provision of educational services for students residing at the  
33 Flint Hills job corps center, students housed at a psychiatric residential  
34 treatment facility or students confined in a juvenile detention facility for  
35 which the school district is reimbursed by a grant of state moneys as  
36 provided in K.S.A. 72-8187, and amendments thereto; and

37 (f) programs financed, in part or in whole, by federal funds that may  
38 be expended although not included in the budget of the school district,  
39 excluding funds received under the provisions of title I of public law 874,  
40 but not including in such exclusion amounts received for assistance in  
41 cases of major disaster and amounts received under the low-rent housing  
42 program, to the extent of the federal funds to be provided.

43 New Sec. 42. If in any school year a school district expends an

1 amount for operating expenses that exceeds its general fund budget, the  
2 state board shall determine the excess and deduct the same from amounts  
3 of general state aid payable to the school district during the next  
4 succeeding school year.

5 New Sec. 43. (a) Subject to any limitations as provided in this act,  
6 any school district may expend the unencumbered balance of the moneys  
7 held in the at-risk education fund, as provided in section 27, and  
8 amendments thereto, bilingual education fund, as provided in K.S.A. 72-  
9 9509, and amendments thereto, contingency reserve fund, as provided in  
10 section 38, and amendments thereto, driver training fund, as provided in  
11 section 36, and amendments thereto, parent education program fund, as  
12 provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-  
13 risk education fund, as provided in section 28, and amendments thereto,  
14 professional development fund, as provided in K.S.A. 72-9609, and  
15 amendments thereto, summer program fund, as provided in K.S.A. 72-  
16 8237, and amendments thereto, textbook and student materials revolving  
17 fund, as provided in K.S.A. 72-8250, and amendments thereto, special  
18 education fund, as provided in K.S.A. 72-965 and section 34, and  
19 amendments thereto, and career technical education fund, as provided in  
20 section 35, and amendments thereto, to pay for general operating expenses  
21 of the school district out of the general fund as approved by the board of  
22 such school district.

23 (b) The board of a school district shall consider the use of such funds  
24 in the following order of priority:

25 (1) At-risk education fund, bilingual education fund, contingency  
26 reserve fund, driver training fund, parent education program fund,  
27 preschool-aged at-risk education fund, professional development fund,  
28 summer program fund and career technical education fund;

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

30 (3) special education fund.

31 The board shall not be limited to the order of priority as listed in this  
32 subsection if the board so chooses. The board shall not be required to use  
33 the total amount of the unencumbered balance of moneys in a fund before  
34 using the unencumbered balance of moneys in another fund.

35 (c) The superintendent of each school district shall report the  
36 unencumbered balance of moneys in each fund listed in subsection (a) to  
37 the board of education in July of each year at the meeting described in  
38 K.S.A. 72-8205, and amendments thereto, and to the state board on or  
39 before July 15 of such year.

40 New Sec. 44. (a) In order to accomplish the mission for Kansas  
41 education, the state board shall design and adopt a school performance  
42 accreditation system based upon improvement in performance that reflects  
43 high academic standards and is measurable.

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

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

18 (d) Whenever the state board determines that a school district has  
19 failed either to meet the accreditation requirements established by rules  
20 and regulations or standards adopted by the state board or provide the  
21 curriculum required by state law, the state board shall so notify the school  
22 district. Such notice shall specify the accreditation requirements that the  
23 school district has failed to meet and the curriculum that it has failed to  
24 provide. Upon receipt of such notice, the board of education of such  
25 school district is encouraged to reallocate the resources of the school  
26 district to remedy all deficiencies identified by the state board.

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

42 New Sec. 45. The state board may adopt rules and regulations for the  
43 administration of this act, including the classification of expenditures of

1 school districts to ensure uniform reporting of operating expenses.

2 New Sec. 46. The provisions of sections 3 through 46, and  
3 amendments thereto, shall not be severable. If any provision of sections 3  
4 through 46, and amendments thereto, is held to be invalid or  
5 unconstitutional by court order, the entire provisions of sections 3 through  
6 46, and amendments thereto, shall be null and void.

7 New Sec. 47. (a) The state department of education shall conduct a  
8 study of the cost of career technical education programs offered by school  
9 districts, including, but not limited to, the following:

10 (1) The career technical education programs offered by school  
11 districts;

12 (2) the costs associated with offering such programs, including  
13 salaries and wages, materials, equipment and facilities; and

14 (3) the coordination between school districts, community colleges  
15 and technical colleges in offering such programs.

16 (b) On or before January 15, 2018, the state department of education  
17 shall prepare a report on its findings and shall make recommendations on  
18 amendments to the education finance act for the financing of career  
19 technical education programs using a tiered technical education model or  
20 other funding model. The report shall be submitted to the governor and the  
21 legislature.

22 (c) The provisions of this section shall expire on July 1, 2018.

23 New Sec. 48. (a) The legislative division of post audit shall conduct a  
24 study of statewide virtual school programs administered in other states.  
25 The study shall include, but not be limited to, the following:

26 (1) The aggregate cost incurred by each state administering a virtual  
27 school program, and the cost incurred by individual school districts or  
28 schools within each state;

29 (2) the resources necessary for the implementation of each virtual  
30 school program, including, but not limited to, personnel, equipment,  
31 software and facility usage;

32 (3) the scope of each virtual school program; and

33 (4) the effectiveness of each virtual school program with respect to  
34 student performance and outcomes.

35 (b) The provisions of this section shall expire on July 1, 2018.

36 New Sec. 49. (a) There is hereby established in the state treasury the  
37 school district capital outlay state aid fund. Such fund shall consist of all  
38 amounts transferred thereto under the provisions of subsection (d).

39 (b) In each school year, each school district that levies a tax pursuant  
40 to K.S.A. 72-8801 et seq., and amendments thereto, shall receive payment  
41 from the school district capital outlay state aid fund in an amount  
42 determined by the state board of education as provided in this section.

43 (c) The state board shall:

1 (1) (A) For school year 2017-2018, determine the amount of the  
2 assessed valuation per student of each school district in the state and round  
3 such amount to the nearest \$1,000. The rounded amount is the assessed  
4 valuation per student of a school district for the purposes of this  
5 subsection; and

6 (B) for school year 2018-2019 and each school year thereafter,  
7 determine the average assessed valuation per student of each school  
8 district by adding the assessed valuation per student for each of the three  
9 immediately preceding school years and dividing the resulting sum by  
10 three, then rounding such amount to the nearest \$1,000. The rounded  
11 amount is the assessed valuation per student of a school district for the  
12 purposes of this subsection;

13 (2) determine the median assessed valuation per student of all school  
14 districts;

15 (3) prepare a schedule of dollar amounts using the amount of the  
16 median assessed valuation per student of all school districts as the point of  
17 beginning. The schedule of dollar amounts shall range upward in equal  
18 \$1,000 intervals from the point of beginning to and including an amount  
19 that is equal to the amount of the assessed valuation per student of the  
20 school district with the highest assessed valuation per student of all school  
21 districts and shall range downward in equal \$1,000 intervals from the point  
22 of beginning to and including an amount that is equal to the amount of the  
23 assessed valuation per student of the school district with the lowest  
24 assessed valuation per student of all school districts;

25 (4) determine a state aid percentage factor for each school district by  
26 assigning a state aid computation percentage to the amount of the median  
27 assessed valuation per student shown on the schedule, decreasing the state  
28 aid computation percentage assigned to the amount of the median assessed  
29 valuation per student by one percentage point for each \$1,000 interval  
30 above the amount of the median assessed valuation per student, and  
31 increasing the state aid computation percentage assigned to the amount of  
32 the median assessed valuation per student by one percentage point for each  
33 \$1,000 interval below the amount of the median assessed valuation per  
34 student. The state aid percentage factor of a school district is the  
35 percentage assigned to the schedule amount that is equal to the amount of  
36 the assessed valuation per student of the school district, except that the  
37 state aid percentage factor of a school district shall not exceed 100%. The  
38 state aid computation percentage is 25%;

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

41 (6) multiply the amount computed under subsection (c)(5), but not to  
42 exceed 8 mills, by the applicable state aid percentage factor. The resulting  
43 product is the amount of payment the school district is to receive from the

1 school district capital outlay state aid fund in the school year.

2 (d) The state board shall certify to the director of accounts and reports  
3 the amount of school district capital outlay state aid determined under the  
4 provisions of subsection (c), and an amount equal thereto shall be  
5 transferred by the director from the state general fund to the school district  
6 capital outlay state aid fund for distribution to school districts. All transfers  
7 made in accordance with the provisions of this subsection shall be  
8 considered to be demand transfers from the state general fund.

9 (e) Payments from the school district capital outlay state aid fund  
10 shall be distributed to school districts at times determined by the state  
11 board of education. The state board of education shall certify to the  
12 director of accounts and reports the amount due each school district, and  
13 the director of accounts and reports shall draw a warrant on the state  
14 treasury payable to the treasurer of the school district. Upon receipt of the  
15 warrant, the treasurer of the school district shall credit the amount thereof  
16 to the capital outlay fund of the school district to be used for the purposes  
17 of such fund.

18 Sec. 50. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as  
19 follows: 10-1116a. The limitations on expenditures imposed under the  
20 cash-basis law shall not apply to:

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

41 (b) Expenditures in any month by school districts which are in excess  
42 of current revenues if the deficit or shortage in revenues is caused by, or a  
43 result of, the payment of state aid after the date prescribed for the payment

1 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466~~ section  
2 7, and amendments thereto.

3 Sec. 51. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as  
4 follows: 12-1677. (a) Except as otherwise required by state or federal law,  
5 all moneys earned and collected from investments by counties, area  
6 vocational-technical schools and quasi-municipal corporations authorized  
7 in this act shall be credited to the general fund of such county, area  
8 vocational-technical school or quasi-municipal corporation by the treasurer  
9 thereof, and all moneys earned and collected from investments by school  
10 districts authorized in this act shall be credited ~~to the general fund of the~~  
11 ~~school district~~ *in accordance with the provisions of section 39, and*  
12 *amendments thereto.*

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

18 Sec. 52. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as  
19 follows: 12-1770a. As used in this act, the following words and phrases  
20 shall have the following meanings unless a different meaning clearly  
21 appears from the content:

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

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

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

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

- 37 (A) A substantial number of deteriorated or deteriorating structures;
- 38 (B) predominance of defective or inadequate street layout;
- 39 (C) unsanitary or unsafe conditions;
- 40 (D) deterioration of site improvements;
- 41 (E) tax or special assessment delinquency exceeding the fair market  
42 value of the real property;
- 43 (F) defective or unusual conditions of title including, but not limited

- 1 to, cloudy or defective titles, multiple or unknown ownership interests to  
2 the property;
- 3 (G) improper subdivision or obsolete platting or land uses;
- 4 (H) the existence of conditions which endanger life or property by  
5 fire or other causes; or
- 6 (I) conditions which create economic obsolescence;
- 7 (2) has been identified by any state or federal environmental agency  
8 as being environmentally contaminated to an extent that requires a  
9 remedial investigation; feasibility study and remediation or other similar  
10 state or federal action;
- 11 (3) a majority of the property is a 100-year floodplain area; or
- 12 (4) previously was found by resolution of the governing body to be a  
13 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments  
14 thereto.
- 15 (d) "Conservation area" means any improved area comprising 15% or  
16 less of the land area within the corporate limits of a city in which 50% or  
17 more of the structures in the area have an age of 35 years or more, which  
18 area is not yet blighted, but may become a blighted area due to the  
19 existence of a combination of two or more of the following factors:
- 20 (1) Dilapidation, obsolescence or deterioration of the structures;
- 21 (2) illegal use of individual structures;
- 22 (3) the presence of structures below minimum code standards;
- 23 (4) building abandonment;
- 24 (5) excessive vacancies;
- 25 (6) overcrowding of structures and community facilities; or
- 26 (7) inadequate utilities and infrastructure.
- 27 (e) "De minimus" means an amount less than 15% of the land area  
28 within a redevelopment district.
- 29 (f) "Developer" means any person, firm, corporation, partnership or  
30 limited liability company, other than a city and other than an agency,  
31 political subdivision or instrumentality of the state or a county when  
32 relating to a bioscience development district.
- 33 (g) "Eligible area" means a blighted area, conservation area,  
34 enterprise zone, intermodal transportation area, major tourism area or a  
35 major commercial entertainment and tourism area, bioscience  
36 development area or a building or buildings which are 65 years of age or  
37 older and any contiguous vacant or condemned lots.
- 38 (h) "Enterprise zone" means an area within a city that was designated  
39 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107  
40 through 12-17,113, and amendments thereto, prior to its repeal and the  
41 conservation, development or redevelopment of the area is necessary to  
42 promote the general and economic welfare of such city.
- 43 (i) "Environmental increment" means the increment determined



1 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

2 (j) "Environmentally contaminated area" means an area of land  
3 having contaminated groundwater or soil which is deemed  
4 environmentally contaminated by the department of health and  
5 environment or the United States environmental protection agency.

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

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

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

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

19 (A) A statement of how the taxes obtained from the project will  
20 contribute significantly to the economic development of the jurisdiction in  
21 which the project is located;

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

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

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

30 (C) an anticipated principal and interest payment schedule on the  
31 bonds;

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

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

41 (l) "Major tourism area" means an area for which the secretary has  
42 made a finding the capital improvements costing not less than  
43 \$100,000,000 will be built in the state to construct an auto race track

1 facility.

2 (m) "Real property taxes" means all taxes levied on an ad valorem  
3 basis upon land and improvements thereon, except that ~~when relating to a~~  
4 ~~bioscience development district, as defined in this section,~~ "real property  
5 taxes" does not include:

6 (1) Property taxes levied ~~for schools, by school districts~~ pursuant to  
7 ~~K.S.A. 2016 Supp. 72-6470~~ section 14, and amendments thereto, when:

8 (A) *Relating to a bioscience development district; and*

9 (B) *relating to a redevelopment district established after June 30,*  
10 *1997; and*

11 (2) *property taxes levied by school districts pursuant to K.S.A. 72-*  
12 *8801, and amendments thereto, when relating to a bioscience development*  
13 *district or a redevelopment district established after June 30, 2017.*

14 (n) "Redevelopment project area" means an area designated by a city  
15 within a redevelopment district or, if the redevelopment district is  
16 established for an intermodal transportation area, an area designated by a  
17 city within or outside of the redevelopment district.

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

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

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

24 (C) site preparation including utility relocations;

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

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

27 (F) street grading, paving, graveling, macadamizing, curbing,  
28 guttering and surfacing;

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

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

32 (I) sidewalks and pedestrian underpasses or overpasses;

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

35 (K) water mains and extensions;

36 (L) plazas and arcades;

37 (M) major multi-sport athletic complex;

38 (N) museum facility;

39 (O) parking facilities including multilevel parking facilities;

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

42 (Q) related expenses to redevelop and finance the redevelopment  
43 project;

1 (R) for purposes of an incubator project, such costs shall also include  
2 wet lab equipment including hoods, lab tables, heavy water equipment and  
3 all such other equipment found to be necessary or appropriate for a  
4 commercial incubator wet lab facility by the city in its resolution  
5 establishing such redevelopment district or a bioscience development  
6 district;

7 (S) costs for the acquisition of land for and the construction and  
8 installation of publicly-owned infrastructure improvements which serve an  
9 intermodal transportation area and are located outside of a redevelopment  
10 district; and

11 (T) costs for infrastructure located outside the redevelopment district  
12 but contiguous to any portion of the redevelopment district and such  
13 infrastructure is necessary for the implementation of the redevelopment  
14 plan as determined by the city.

15 (2) Redevelopment project costs shall not include: (A) Costs incurred  
16 in connection with the construction of buildings or other structures to be  
17 owned by or leased to a developer, however, the "redevelopment project  
18 costs" shall include costs incurred in connection with the construction of  
19 buildings or other structures to be owned or leased to a developer which  
20 includes an auto race track facility or a multilevel parking facility.

21 (B) In addition, for a redevelopment project financed with special  
22 obligation bonds payable from the revenues described in K.S.A. 12-  
23 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall  
24 not include:

25 (i) Fees and commissions paid to developers, real estate agents,  
26 financial advisors or any other consultants who represent the developers or  
27 any other businesses considering locating in or located in a redevelopment  
28 district;

29 (ii) salaries for local government employees;

30 (iii) moving expenses for employees of the businesses locating within  
31 the redevelopment district;

32 (iv) property taxes for businesses that locate in the redevelopment  
33 district;

34 (v) lobbying costs;

35 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-  
36 1742, and amendments thereto;

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

39 (viii) travel, entertainment and hospitality.

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

43 (q) "Redevelopment district plan" or "district plan" means the

1 preliminary plan that identifies all of the proposed redevelopment project  
2 areas and identifies in a general manner all of the buildings, facilities and  
3 improvements in each that are proposed to be constructed or improved in  
4 each redevelopment project area or, if the redevelopment district is  
5 established for an intermodal transportation area, in or outside of the  
6 redevelopment district.

7 (r) "Redevelopment project" means the approved project to  
8 implement a project plan for the development of the established  
9 redevelopment district.

10 (s) "Redevelopment project plan" means the plan adopted by a  
11 municipality for the development of a redevelopment project or projects  
12 which conforms with K.S.A. 12-1772, and amendments thereto, in a  
13 redevelopment district.

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

17 (u) "Tax increment" means that amount of real property taxes  
18 collected from real property located within the redevelopment district that  
19 is in excess of the amount of real property taxes which is collected from  
20 the base year assessed valuation.

21 (v) "Taxing subdivision" means the county, city, unified school  
22 district and any other taxing subdivision levying real property taxes, the  
23 territory or jurisdiction of which includes any currently existing or  
24 subsequently created redevelopment district including a bioscience  
25 development district.

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

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

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

40 (z) "Bioscience" means the use of compositions, methods and  
41 organisms in cellular and molecular research, development and  
42 manufacturing processes for such diverse areas as pharmaceuticals,  
43 medical therapeutics, medical diagnostics, medical devices, medical

1 instruments, biochemistry, microbiology, veterinary medicine, plant  
2 biology, agriculture, industrial environmental and homeland security  
3 applications of bioscience and future developments in the biosciences.

4 Bioscience includes biotechnology and life sciences.

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

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

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

9 (3) includes a bioscience facility.

10 (bb) "Bioscience development district" means the specific area,  
11 created under K.S.A. 12-1771, and amendments thereto, where one or  
12 more bioscience development projects may be undertaken.

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

15 (dd) "Bioscience development project plan" means the plan adopted  
16 by the authority for a bioscience development project pursuant to K.S.A.  
17 12-1772, and amendments thereto, in a bioscience development district.

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

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

24 (gg) "Biotechnology" means those fields focusing on technological  
25 developments in such areas as molecular biology, genetic engineering,  
26 genomics, proteomics, physiomics, nanotechnology, biodefense,  
27 biocomputing, bioinformatics and future developments associated with  
28 biotechnology.

29 (hh) "Board" means the board of directors of the Kansas bioscience  
30 authority.

31 (ii) "Life sciences" means the areas of medical sciences,  
32 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,  
33 ecology, toxicology, organic chemistry, physical chemistry, physiology and  
34 any future advances associated with life sciences.

35 (jj) "Revenue increase" means that amount of real property taxes  
36 collected from real property located within the bioscience development  
37 district that is in excess of the amount of real property taxes which is  
38 collected from the base year assessed valuation.

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

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

3 (mm) "100-year floodplain area" means an area of land existing in a  
4 100-year floodplain as determined by either an engineering study of a  
5 Kansas certified engineer or by the United States federal emergency  
6 management agency.

7 (nn) "Major motorsports complex" means a complex in Shawnee  
8 county that is utilized for the hosting of competitions involving motor  
9 vehicles, including, but not limited to, automobiles, motorcycles or other  
10 self-propelled vehicles other than a motorized bicycle or motorized  
11 wheelchair. Such project may include racetracks, all facilities directly  
12 related and necessary to the operation of a motorsports complex,  
13 including, but not limited to, parking lots, grandstands, suites and viewing  
14 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
15 centers, signage and temporary hospitality facilities, but excluding hotels,  
16 motels, restaurants and retail facilities not directly related to or necessary  
17 to the operation of such facility.

18 (oo) "Intermodal transportation area" means an area of not less than  
19 800 acres to be developed primarily to handle the transfer, storage and  
20 distribution of freight through railway and trucking operations.

21 (pp) "Museum facility" means a separate newly-constructed museum  
22 building and facilities directly related and necessary to the operation  
23 thereof, including gift shops and restaurant facilities, but excluding hotels,  
24 motels, restaurants and retail facilities not directly related to or necessary  
25 to the operation of such facility. The museum facility shall be owned by  
26 the state, a city, county, other political subdivision of the state or a non-  
27 profit corporation, shall be managed by the state, a city, county, other  
28 political subdivision of the state or a non-profit corporation and may not  
29 be leased to any developer and shall not be located within any retail or  
30 commercial building.

31 Sec. 53. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as  
32 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of  
33 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has  
34 established a redevelopment district prior to July 1, 1996, shall certify to  
35 the director of accounts and reports the amount equal to the amount of  
36 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~  
37 ~~Supp. 72-6470~~ *section 14*, and amendments thereto, within such  
38 redevelopment district. Prior to February 1, 1997, and annually on that  
39 date thereafter, the governing body of each such city shall certify to the  
40 director of accounts and reports an amount equal to the amount by which  
41 revenues realized from such ad valorem taxes imposed in such  
42 redevelopment district are estimated to be reduced for the ensuing calendar  
43 year due to legislative changes in the statewide school finance formula.

1 Prior to March 1 of each year, the director of accounts and reports shall  
2 certify to the state treasurer each amount certified by the governing bodies  
3 of cities under this section for the ensuing calendar year and shall transfer  
4 from the state general fund to the city tax increment financing revenue  
5 fund the aggregate of all amounts so certified. Prior to April 15 of each  
6 year, the state treasurer shall pay from the city tax increment financing  
7 revenue fund to each city certifying an amount to the director of accounts  
8 and reports under this section for the ensuing calendar year the amount so  
9 certified.

10 (b) There is hereby created the tax increment financing revenue  
11 replacement fund which shall be administered by the state treasurer. All  
12 expenditures from the tax increment financing revenue replacement fund  
13 shall be made in accordance with appropriations acts upon warrants of the  
14 director of accounts and reports issued pursuant to vouchers approved by  
15 the state treasurer or a person or persons designated by the state treasurer.

16 Sec. 54. 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 *section 17 and* K.S.A. 75-2319, and  
29 amendments thereto, the base year assessed valuation of property within  
30 the boundaries of a redevelopment district shall be used when determining  
31 the assessed valuation of a school district until the bonds issued pursuant  
32 to K.S.A. 12-1770 et seq., and amendments thereto, to finance  
33 redevelopment projects in the redevelopment district have been retired.

34 Sec. 55. K.S.A. 12-17,115 is hereby amended to read as follows: 12-  
35 17,115. As used in this act:

36 (a) "Dilapidated structure" means a residence or other building which  
37 is in deteriorating condition by reason of obsolescence, inadequate  
38 provision of ventilation, light, air or structural integrity or is otherwise in a  
39 condition detrimental to the health, safety or welfare of its inhabitants or a  
40 residence or other building which is in deteriorating condition and because  
41 of age, architecture, history or significance is worthy of preservation.

42 (b) "Municipality" means any municipality as defined by K.S.A. 10-  
43 1101, and amendments thereto.

1 (c) "Neighborhood revitalization area" means:

2 (1) An area in which there is a predominance of buildings or  
3 improvements which by reason of dilapidation, deterioration,  
4 obsolescence, inadequate provision for ventilation, light, air, sanitation, or  
5 open spaces, high density of population and overcrowding, the existence  
6 of conditions which endanger life or property by fire and other causes or a  
7 combination of such factors, is conducive to ill health, transmission of  
8 disease, infant mortality, juvenile delinquency or crime and which is  
9 detrimental to the public health, safety or welfare;

10 (2) an area which by reason of the presence of a substantial number  
11 of deteriorated or deteriorating structures, defective or inadequate streets,  
12 incompatible land use relationships, faulty lot layout in relation to size,  
13 adequacy, accessibility or usefulness, unsanitary or unsafe conditions,  
14 deterioration of site or other improvements, diversity of ownership, tax or  
15 special assessment delinquency exceeding the actual value of the land,  
16 defective or unusual conditions of title, or the existence of conditions  
17 which endanger life or property by fire and other causes, or a combination  
18 of such factors, substantially impairs or arrests the sound growth of a  
19 municipality, retards the provision of housing accommodations or  
20 constitutes an economic or social liability and is detrimental to the public  
21 health, safety or welfare in its present condition and use; or

22 (3) an area in which there is a predominance of buildings or  
23 improvements which by reason of age, history, architecture or significance  
24 should be preserved or restored to productive use.

25 (d) "Governing body" means the governing body of any municipality.

26 (e) "Increment" means, *except for any taxes levied by school districts*  
27 *pursuant to section 14 or K.S.A. 72-8801, and amendments thereto*, that  
28 amount of ad valorem taxes collected from real property located within the  
29 neighborhood revitalization area or from dilapidated structures outside the  
30 revitalization area that is in excess of the amount which is produced from  
31 such property and attributable to the assessed valuation of such property  
32 prior to the date the neighborhood revitalization area was established or  
33 the structure was declared dilapidated pursuant to this act.

34 Sec. 56. K.S.A. 2016 Supp. 72-978 is hereby amended to read as  
35 follows: 72-978. (a) Each year, the state board of education shall determine  
36 the amount of state aid for the provision of special education and related  
37 services each school district shall receive for the ensuing school year. The  
38 amount of such state aid shall be computed by the state board as provided  
39 in this section. The state board shall:

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

42 (2) subtract from the amount determined in subsection (a)(1) the total  
43 amount attributable to assignment of transportation weighting, program



1 weighting, special education weighting and ~~at-risk pupil~~ *low-income*  
2 *student* weighting, ~~as those weightings were calculated under the school~~  
3 ~~district finance and quality performance act, prior to its repeal,~~ to *the*  
4 enrollment of all school districts;

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

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

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

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

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

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

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

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

24 (11) multiply the remainder obtained under subsection (a)(10) by  
25 92%.

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

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

30 (1) Reimbursement for actual travel allowances paid to special  
31 teachers at not to exceed the rate specified under K.S.A. 75-3203, and  
32 amendments thereto, for each mile actually traveled during the school year  
33 in connection with duties in providing special education or related services  
34 for exceptional children; Such reimbursement shall be computed by the  
35 state board by ascertaining the actual travel allowances paid to special  
36 teachers by the school district for the school year and shall be in an  
37 amount equal to 80% of such actual travel allowances;

38 (2) reimbursement in an amount equal to 80% of the actual travel  
39 expenses incurred for providing transportation for exceptional children to  
40 special education or related services;

41 (3) reimbursement in an amount equal to 80% of the actual expenses  
42 incurred for the maintenance of an exceptional child at some place other  
43 than the residence of such child for the purpose of providing special

1 education or related services; Such reimbursement shall not exceed \$600  
2 per exceptional child per school year; and

3 (4) (A) except for those school districts ~~entitled to~~ *that* receive  
4 reimbursement under subsection (c) or (d), after subtracting the amounts of  
5 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total  
6 amount appropriated for special education and related services under this  
7 act, an amount which bears the same proportion to the remaining amount  
8 appropriated as the number of full-time equivalent special teachers who  
9 are qualified to provide special education or related services to exceptional  
10 children and are employed by the school district for approved special  
11 education or related services bears to the total number of such qualified  
12 full-time equivalent special teachers employed by all school districts for  
13 approved special education or related services.

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

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

25 (c) Each school district which has paid amounts for the provision of  
26 special education and related services under an interlocal agreement shall  
27 ~~be entitled to~~ receive reimbursement under subsection (b)(4). The amount  
28 of such reimbursement for the *school* district shall be the amount which  
29 bears the same relation to the aggregate amount available for  
30 reimbursement for the provision of special education and related services  
31 under the interlocal agreement, as the amount paid by such *school* district  
32 in the current school year for provision of such special education and  
33 related services bears to the aggregate of all amounts paid by all school  
34 districts in the current school year who have entered into such interlocal  
35 agreement for provision of such special education and related services.

36 (d) Each contracting school district which has paid amounts for the  
37 provision of special education and related services as a member of a  
38 cooperative shall ~~be entitled to~~ receive reimbursement under subsection (b)  
39 (4). The amount of such reimbursement for the *school* district shall be the  
40 amount which bears the same relation to the aggregate amount available  
41 for reimbursement for the provision of special education and related  
42 services by the cooperative, as the amount paid by such *school* district in  
43 the current school year for provision of such special education and related

1 services bears to the aggregate of all amounts paid by all contracting  
 2 school districts in the current school year by such cooperative for  
 3 provision of such special education and related services.

4 (e) No time spent by a special teacher in connection with duties  
 5 performed under a contract entered into by the Kansas juvenile  
 6 correctional complex, ~~the Atehison juvenile correctional facility,~~ the  
 7 Larned juvenile correctional facility; or the Topeka juvenile correctional  
 8 facility and a school district for the provision of special education services  
 9 by such state institution shall be counted in making computations under  
 10 this section.

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

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

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

31 Sec. 57. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as  
 32 follows: 72-1046b. (a) As used in this section:

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

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

43 (3) "Member of the family" means a brother or sister of the whole or

1 half blood or by adoption, a stepbrother or stepsister, and a foster brother  
2 or foster sister.

3 (b) The board of education of any school district may allow any pupil  
4 who is not a resident of the district to enroll in and attend school in such  
5 district. The board of education of such district may furnish or provide  
6 transportation to any non-resident pupil who is enrolled in and attending  
7 school in the district pursuant to this section. If the district agrees to  
8 furnish or provide transportation to a non-resident pupil, such  
9 transportation shall be furnished or provided until the end of the school  
10 year. Prior to providing or furnishing transportation to a non-resident  
11 pupil, the district shall notify the board of education of the district in  
12 which the pupil resides that transportation will be furnished or provided.

13 (c) Pupils attending school in a school district in which the pupil does  
14 not reside pursuant to this section shall be counted as regularly enrolled in  
15 and attending school in the district where the pupil is enrolled for the  
16 purpose of computations under the ~~classroom learning assuring student~~  
17 ~~success act, K.S.A. 2016 Supp. 72-6463 et seq. education finance act,~~  
18 ~~section 3 et seq.,~~ and amendments thereto, *except computation of*  
19 *transportation weighting under such act,* and for the purposes of the  
20 statutory provisions contained in article 83 of chapter 72 of the Kansas  
21 Statutes Annotated, and amendments thereto. Such non-resident pupil shall  
22 not be charged for the costs of attendance at school.

23 (d) ~~Any pupil who was not a resident of the district in school year~~  
24 ~~2014-2015, but was allowed to enroll in and attend school in such district~~  
25 ~~in school year 2014-2015 by the board of education of such district and~~  
26 ~~any member of the family of such pupil regardless of whether such family~~  
27 ~~member enrolled in and attended school in such district in school year~~  
28 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~  
29 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~  
30 ~~pupil or family member of such pupil is a resident of the district in either~~  
31 ~~school year, provided such pupil or such pupil's family member is in~~  
32 ~~compliance with any attendance and behavior policies of the district. If~~  
33 ~~transportation was furnished or provided to such pupil in school year~~  
34 ~~2014-2015 by the district, then transportation shall be furnished or~~  
35 ~~provided by the district to such pupil and any family member of such pupil~~  
36 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~  
37 ~~such pupil's residence and no requirement for the district to furnish~~  
38 ~~transportation to any additional residence.~~

39 Sec. 58. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as  
40 follows: 72-1398. (a) The national board for professional teaching  
41 standards certification incentive program is hereby established for the  
42 purpose of rewarding teachers who have attained certification from the  
43 national board. Teachers who have attained certification from the national

1 board shall be issued a master teacher's license by the state board of  
2 education. A master teacher's license shall be valid for 10 years and  
3 renewable thereafter every 10 years through compliance with continuing  
4 education and professional development requirements prescribed by the  
5 state board. Teachers who have attained certification from the national  
6 board and who are employed by a school district shall be paid an incentive  
7 bonus in the amount of \$1,000 each school year that the teacher remains  
8 employed by a school district and retains a valid master teacher's license.

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

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

29 (d) Moneys received by a board of education under this section shall  
30 be deposited in the general fund of the school district and shall be  
31 considered reimbursements to the district for the purpose of the ~~classroom~~  
32 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463-~~  
33 ~~education finance act, section 3 et seq., and amendments thereto, and may~~  
34 be expended whether the same have been budgeted or not.

35 (e) The state board of education is authorized to provide scholarships  
36 of \$1,100 each to teachers who are accepted to participate in the national  
37 board for professional teaching standards program for initial certification.  
38 The state board of education is authorized to provide scholarships of \$500  
39 each to teachers who are accepted to participate in the national board for  
40 professional teaching standards program for renewal of certification. Any  
41 teacher who has been accepted to participate in such program may file an  
42 application with the state board of education for a scholarship. The  
43 application shall be on a form prescribed and furnished by the state board,

1 shall contain such information as the state board shall require and shall be  
2 filed at the time specified by the state board.

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

5 Sec. 59. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as  
6 follows: 72-1414. (a) On or before January 1, 2001, the state board of  
7 education shall adopt rules and regulations for the administration of  
8 mentor teacher programs and shall:

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

11 (2) evaluate and approve mentor teacher programs;

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

14 (4) prescribe guidelines for the selection by boards of education of  
15 mentor teachers and for the provision by boards of education of training  
16 programs for mentor teachers;

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

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

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

39 Sec. 60. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as  
40 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,  
41 and amendments thereto, the board of education of any school district may  
42 apply to the state board for a grant of authority to operate such school  
43 district as a public innovative district. The application shall be submitted in

1 the form and manner prescribed by the state board, and shall be submitted  
2 not later than December 1 of the school year preceding the school year in  
3 which the school district intends to operate as a public innovative district.

4 (b) The application shall include the following:

5 (1) A description of the educational programs of the public innovative  
6 district;

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

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

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

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

21 (2) If the state board determines such application is not in compliance  
22 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments  
23 thereto, the state board shall deny such application. Notification of such  
24 denial shall be sent to the board of education of such school district within  
25 10 days after such decision and shall specify the reasons therefor. Within  
26 30 days from the date such notification is sent, the board of education of  
27 such school district may submit a request to the state board for  
28 reconsideration of the application and may submit an amended application  
29 with such request. The state board shall act on the request for  
30 reconsideration within 60 days of receipt of such request.

31 (d) A public innovative district shall:

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

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

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

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

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

43 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921

1 through 72-1930, and amendments thereto, or as required by the board of  
2 education of the public innovative district, a public innovative district shall  
3 be exempt from all laws and rules and regulations that are applicable to  
4 school districts.

5 (2) A public innovative district shall be subject to the special  
6 education for exceptional children act, the virtual school act, the ~~classroom~~  
7 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463-~~  
8 ~~education finance act, section 3 et seq.,~~ and amendments thereto, the  
9 provisions of K.S.A. 72-8801 et seq., and amendments thereto, all laws  
10 governing the issuance of general obligation bonds by school districts, the  
11 provisions of K.S.A. 74-4901 et seq., and amendments thereto, and all  
12 laws governing the election of members of the board of education, the  
13 open meetings act as provided in K.S.A. 75-4317 et seq., and amendments  
14 thereto, and the open records act as provided in K.S.A. 45-215 et seq., and  
15 amendments thereto.

16 Sec. 61. K.S.A. 2016 Supp. 72-3607 is hereby amended to read as  
17 follows: 72-3607. (a) There is hereby established in every school district  
18 which has developed and is operating a parent education program for  
19 which grants are awarded under this act a fund which shall be called the  
20 parent education program fund, which fund shall consist of all moneys  
21 deposited therein or transferred thereto according to law. Notwithstanding  
22 any other provision of law, all moneys received by the school district from  
23 whatever source for a parent education program operated under this act  
24 shall be credited to the fund established by this section. Amounts deposited  
25 in the parent education program fund ~~may~~ shall be used *exclusively* for the  
26 payment of expenses directly attributable to the program ~~or may be~~  
27 ~~transferred to the general fund of the school district as approved by the~~  
28 ~~board of education.~~

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

34 Sec. 62. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as  
35 follows: 72-3712. As used in the virtual school act:

36 (a) "Virtual school" means any school or educational program that:  
37 (1) Is offered for credit; (2) uses distance-learning technologies which  
38 predominately use internet-based methods to deliver instruction; (3)  
39 involves instruction that occurs asynchronously with the teacher and ~~pupil~~  
40 ~~student~~ in separate locations; (4) requires the ~~pupil~~ *student* to make  
41 academic progress toward the next grade level and matriculation from  
42 kindergarten through high school graduation; (5) requires the ~~pupil~~ *student*  
43 to demonstrate competence in subject matter for each class or subject in



1 which the ~~pupil~~ *student* is enrolled as part of the virtual school; and (6)  
2 requires age-appropriate ~~pupils~~ *students* to complete state assessment tests.

3 (b) "School district" means any school district which offers a virtual  
4 school.

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

8 Sec. 63. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as  
9 follows: 72-3715. (a) In order to be included in the full-time equivalent  
10 enrollment of a virtual school, a ~~pupil~~ *student* shall be in attendance at the  
11 virtual school on: (1) A single school day on or before September 19 of  
12 each school year; and (2) on a single school day on or after September 20,  
13 but before October 4 of each school year.

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

17 (1) Determine the number of hours the ~~pupil~~ *student* was in  
18 attendance on a single school day on or before September 19 of each  
19 school year;

20 (2) determine the number of hours the ~~pupil~~ *student* was in attendance  
21 on a single school day on or after September 20, but before October 4 of  
22 each school year;

23 (3) add the numbers obtained under ~~paragraphs~~ *subsections (b)(1) and*  
24 *(b)(2)*;

25 (4) divide the sum obtained under ~~paragraph~~ *subsection (b)(3)* by 12.  
26 The quotient is the full-time equivalent enrollment of the ~~pupil~~ *student*.

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

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

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

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

40 (A) ~~Determine the number of~~ *pupils* ~~students~~ *enrolled in virtual*  
41 *school on a full-time basis, excluding those* ~~pupils~~ *students* ~~who are over~~  
42 ~~18 19~~ *years of age, and multiply the total number of such* ~~pupils~~ *students*  
43 ~~by \$5,000 the foundation state aid per student as determined under section~~

1 4, and amendments thereto;

2 ~~(B)(2)~~ determine the full-time equivalent enrollment of ~~pupils~~  
3 ~~students~~ enrolled in virtual school on a part-time basis, excluding those  
4 pupils who are over ~~18~~ 19 years of age, and multiply the total full-time  
5 equivalent enrollment of such ~~pupils~~ by ~~\$4,045~~ ~~students~~ by \$1,700;

6 ~~(C)(3)~~ for ~~pupils~~ ~~students~~ enrolled in a virtual school who are over ~~18~~  
7 19 years of age, determine the number of one-hour credit courses such  
8 ~~pupils~~ ~~students~~ have passed, *not to exceed six credit courses per school*  
9 *year*, and multiply the total number of such courses by ~~\$933~~ \$709; and

10 ~~(D)(4)~~ add the amounts calculated under subsections (d)(1)(A)  
11 through (d)(1)(C) (4). The resulting sum is the amount of virtual school  
12 state aid the school district shall receive.

13 ~~(2)~~ For school year 2016-2017:

14 ~~(A)~~ Determine the number of pupils enrolled in virtual school on a  
15 full-time basis, excluding those pupils who are over 18 years of age, and  
16 multiply the total number of such pupils by \$5,600;

17 ~~(B)~~ determine the full-time equivalent enrollment of pupils enrolled  
18 in virtual school on a part-time basis, excluding those pupils who are over  
19 18 years of age, and multiply the total full-time equivalent enrollment of  
20 such pupils by \$1,700;

21 ~~(C)~~ for pupils enrolled in a virtual school who are over 18 years of  
22 age, determine the number of one-hour credit courses such pupils have  
23 passed and multiply the total number of such courses by \$933; and

24 ~~(D)~~ add the amounts calculated under subsections (d)(2)(A) through  
25 (d)(2)(C). The resulting sum is the amount of virtual school state aid the  
26 school district shall receive.

27 ~~(3)~~ For purposes of this subsection:

28 ~~(A)~~ "Full-time" means attendance in a virtual school for no less than  
29 six hours as determined pursuant to subsection (b).

30 ~~(B)~~ "Part-time" means attendance in a virtual school for less than six  
31 hours as determined pursuant to subsection (b).

32 (e) There is hereby established in every school district a fund which  
33 shall be called the virtual school fund, which fund shall consist of all  
34 moneys deposited therein or transferred thereto according to law. The  
35 expenses of a school district directly attributable to virtual schools offered  
36 by a school district may be paid from the virtual school fund. The cost of  
37 an advance placement course provided to a ~~pupil~~ *student* by a virtual  
38 school shall be paid by the virtual school. Amounts deposited in the virtual  
39 school fund may be transferred to the general fund of the school district as  
40 approved by the board of education.

41 Any balance remaining in the virtual school fund at the end of the  
42 budget year shall be carried forward into the virtual school fund for  
43 succeeding budget years. Such fund shall not be subject to the provisions

1 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

2 In preparing the budget of such school district, the amounts credited to  
3 and the amount on hand in the virtual school fund, and the amount  
4 expended therefrom shall be included in the annual budget for the  
5 information of the residents of the school district. Interest earned on the  
6 investment of moneys in any such fund shall be credited to that fund.

7 (f) For the purposes of this section, a ~~pupil~~ *student* enrolled in a  
8 virtual school who is not a resident of the state of Kansas shall not be  
9 counted in the full-time equivalent enrollment of the virtual school. The  
10 virtual school shall record the permanent address of any ~~pupil~~ *student*  
11 enrolled in such virtual school.

12 (g) *For purposes of this section:*

13 (A) *"Full-time" means attendance in a virtual school for no less than*  
14 *six hours as determined pursuant to subsection (b).*

15 (B) *"Part-time" means attendance in a virtual school for less than six*  
16 *hours as determined pursuant to subsection (b).*

17 Sec. 64. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as  
18 follows: 72-5333b. (a) The unified school district maintaining and  
19 operating a school on the Fort Leavenworth military reservation, being  
20 unified school district No. 207 of Leavenworth county, state of Kansas,  
21 shall have a governing body, which shall be known as the "Fort  
22 Leavenworth school district board of education" and which shall consist of  
23 three members who shall be appointed by, and serve at the pleasure of the  
24 commanding general of Fort Leavenworth. One member of the board shall  
25 be the president and one member shall be the vice-president. The  
26 commanding general, when making any appointment to the board, shall  
27 designate which of the offices the member so appointed shall hold. Except  
28 as otherwise expressly provided in this section, the district board and the  
29 officers thereof shall have and may exercise all the powers, duties,  
30 authority and jurisdiction imposed or conferred by law on unified school  
31 districts and boards of education thereof, except such school district shall  
32 not offer or operate any of grades 10 through 12.

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

35 (c) Except as otherwise expressly provided in this subsection, the  
36 provisions of the ~~classroom learning assuring student success act, K.S.A.~~  
37 ~~2016 Supp. 72-6463~~ *education finance act, section 3 et seq., and*  
38 *amendments thereto, apply to the school district. As applied to the school*  
39 *district, the terms "school financing sources" and "federal impact aid"*  
40 *shall not include any moneys received by the school district under*  
41 *subsection (3)(d)(2)(b) of public law 81-874. Any such moneys received*  
42 *by the school district shall be deposited in the general fund of the school*  
43 *district or, at the discretion of the board of education, in the capital outlay*

1 fund of the school district.

2 Sec. 65. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as  
3 follows: 72-64b01. (a) No school district shall expend, use or transfer any  
4 moneys from the general fund of the district for the purpose of engaging in  
5 or supporting in any manner any litigation by the school district or any  
6 person, association, corporation or other entity against the state of Kansas,  
7 the state board of education, the state department of education, other state  
8 agency or any state officer or employee regarding *the education finance*  
9 *act* or any *other* law concerning school finance. No such moneys shall be  
10 paid, donated or otherwise provided to any person, association,  
11 corporation or other entity and used for the purpose of any such litigation.

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

17 Sec. 66. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as  
18 follows: 72-64c03. The appropriation of moneys necessary to pay general  
19 state aid and supplemental general state aid under the ~~classroom learning~~  
20 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *education*  
21 *finance act, section 3* et seq., and amendments thereto, and state aid for the  
22 provision of special education and related services under the special  
23 education for exceptional children act shall be given first priority in the  
24 legislative budgeting process and shall be paid first from existing state  
25 revenues.

26 Sec. 67. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as  
27 follows: 72-64c05. Article 6 of the constitution of the state of Kansas  
28 states that the legislature shall provide for intellectual, educational,  
29 vocational and scientific improvement by establishing and maintaining  
30 public schools; provide for a state board of education having general  
31 supervision of public schools, educational institutions and the educational  
32 interests of the state, except those delegated by law to the state board of  
33 regents; and make suitable provision for finance of the educational  
34 interests of the state. It is the purpose and intention of the legislature to  
35 provide a financing system for the education of kindergarten and grades  
36 one through 12 which provides students with the capacities set forth in  
37 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing  
38 system shall be sufficiently flexible for the legislature to consider and  
39 utilize financing methods from all available resources in order to satisfy  
40 the constitutional requirements under article 6. Such financing methods  
41 shall include, but are not limited to, the following:

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

1 (b) subject to appropriations by the legislature, appropriations of state  
2 moneys for the improvement of public education, including, but not  
3 limited to, the following:

4 (1) Financing to unified school districts through the ~~classroom-~~  
5 ~~learning-assuring-student-success-act, K.S.A. 2016 Supp. 72-6463-~~  
6 *education finance act, section 3* et seq., and amendments thereto;

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

11 (3) employer contributions to the Kansas public employees retirement  
12 system for public schools;

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

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

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

23 (7) transportation financing, including any transfers from the state  
24 general fund and state highway fund to the state department of education  
25 to provide technical education transportation, special education  
26 transportation or school bus safety;

27 (8) financing to other facilities providing public education to students,  
28 such as the Kansas state school for the blind, the Kansas state school for  
29 the deaf, school district juvenile detention facilities and the Flint Hills job  
30 corps center;

31 (9) appropriations relating to the Kansas academy of mathematics and  
32 science;

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

35 (11) appropriations to the state board of regents to provide technical  
36 education incentives to unified school districts and tuition costs to  
37 postsecondary institutions which provide career technical education to  
38 secondary students; and

39 (12) appropriations to any postsecondary educational institution  
40 which provides postsecondary education to a secondary student without  
41 charging tuition to such student;

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

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

4 Sec. 68. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as  
5 follows: 72-6622. In the event that all of the property acquired by any two  
6 cities under the provisions of K.S.A. 3-404 et seq., and amendments  
7 thereto, is included within the territory of a unified school district in which  
8 only one of such cities is located:

9 (a) One-half of the assessed valuation of such property shall be  
10 assigned to each of the two school districts in which such cities are located  
11 for the purposes of determining the assessed valuation of each district for  
12 ~~entitlement to:~~ (1) *Supplemental general state aid under section 17, and*  
13 *amendments thereto; and (2) payment from the school district capital*  
14 *improvements fund under K.S.A. 75-2319, and amendments thereto;*

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

18 (c) Such property shall be subject to taxation for school purposes at a  
19 rate equal to the aggregate of all rates imposed for school purposes upon  
20 property located within the school district in which such property is  
21 located, but one-half of the proceeds derived from such levy shall be  
22 allocated to each of the two school districts in which such cities are  
23 located.

24 Sec. 69. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as  
25 follows: 72-6624. (a) As used in this section:

26 (1) "School district" means unified school district No. 404, unified  
27 school district No. 493, unified school district No. 499 and unified school  
28 district No. 508.

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

32 (3) "State aid" means general state aid, *supplemental general state*  
33 *aid*, capital improvements state aid, capital outlay state aid and any other  
34 state aid paid, distributed or allocated to school districts under the  
35 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
36 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto, or  
37 other law, and any other state aid paid, distributed or allocated to school  
38 districts on the basis of the assessed valuation of school districts.

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

43 (c) The provisions of this section shall not apply if the property is not

1 or ceases to be used as a racetrack gaming facility or lottery gaming  
2 facility under the Kansas expanded lottery act.

3 Sec. 70. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as  
4 follows: 72-6625. (a) As used in this section:

5 (1) "School district" means unified school district No. 507 and  
6 unified school district No. 374.

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

12 (3) "State aid" means general state aid, *supplemental general state*  
13 *aid*, capital improvements state aid, capital outlay state aid and any other  
14 state aid paid, distributed or allocated to school districts under the  
15 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
16 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto, or  
17 other law, and any other state aid paid, distributed or allocated to school  
18 districts on the basis of the assessed valuation of school districts.

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

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

25 Sec. 71. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as  
26 follows: 72-6757. (a) As used in this section:

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

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

31 (b) The board of education of any school district may make and enter  
32 into contracts with the board of education of any receiving school district  
33 located in this state for the purpose of providing for the attendance of  
34 pupils at school in the receiving school district.

35 (c) The board of education of any school district may make and enter  
36 into contracts with the governing authority of any accredited school  
37 district located in another state for the purpose of providing for the  
38 attendance of pupils from this state at school in such other state or for the  
39 attendance of pupils from such other state at school in this state.

40 (d) Pupils attending school in a receiving school district in  
41 accordance with a contract authorized by this section and made and  
42 entered into by such receiving school district with a sending school district  
43 located in this state shall be counted as regularly enrolled in and attending

1 school in the sending school district for the purpose of computations under  
2 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
3 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto.

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

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

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

13 (3) if a sending school district is located in this state and the receiving  
14 school district is located in another state, the amount of tuition provided to  
15 be paid for the attendance of a pupil or pupils at school in the receiving  
16 school district shall not exceed  $\frac{1}{2}$  of the amount of the budget per pupil of  
17 the sending school district under the ~~classroom learning assuring student~~  
18 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *education finance act, section 3* et  
19 seq., and amendments thereto, for the current school year; and

20 (4) the contract shall make provision for transportation of pupils to  
21 and from the school attended on every school day.

22 (f) Amounts received pursuant to contracts made and entered into  
23 under authority of this section by a school district located in this state for  
24 enrollment and attendance of pupils at school in regular educational  
25 programs shall be deposited in the general fund of the school district.

26 (g) The provisions of subsection (e)(3) do not apply to unified school  
27 district No. 104, Jewell county.

28 (h) The provisions of this section do not apply to contracts made and  
29 entered into under authority of the special education for exceptional  
30 children act.

31 (i) The provisions of this section are deemed to be alternative to the  
32 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure  
33 or authorization under K.S.A. 72-8233, and amendments thereto, shall be  
34 limited by the provisions of this section.

35 Sec. 72. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as  
36 follows: 72-67,115. (a) The board of education of any school district may:

37 (1) Offer and teach courses and conduct preschool programs for  
38 children under the age of eligibility to attend kindergarten.

39 (2) Enter into cooperative or interlocal agreements with one or more  
40 other boards for the establishment, operation and maintenance of such  
41 preschool programs.

42 (3) Contract with private, nonprofit corporations or associations or  
43 with any public or private agency or institution, whether located within or



1 outside the state, for the establishment, operation and maintenance of such  
2 preschool programs.

3 (4) Prescribe and collect fees for providing such preschool programs.

4 (b) Fees for providing preschool programs shall be prescribed and  
5 collected only to recover the costs incurred as a result of and directly  
6 attributable to the establishment, operation and maintenance of the  
7 preschool programs. Revenues from fees collected by a board under this  
8 section shall be deposited in the general fund of the school district and  
9 shall be considered reimbursements to the district for the purpose of the  
10 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
11 ~~6463~~ *education finance act, section 3* et seq., and amendments thereto, and  
12 may be expended whether the same have been budgeted or not and  
13 amounts so expended shall not be considered operating expenses.

14 Sec. 73. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as  
15 follows: 72-7535. (a) In order to equip students with the knowledge and  
16 skills needed to become self-supporting and to enable students to make  
17 critical decisions regarding personal finances, the state board of education  
18 shall authorize and assist in the implementation of programs on teaching  
19 personal financial literacy.

20 (b) The state board of education shall develop a curriculum, materials  
21 and guidelines that local boards of education and governing authorities of  
22 accredited nonpublic schools may use in implementing the program of  
23 instruction on personal financial literacy. The state board of education  
24 shall adopt a glossary of personal financial literacy terms which shall be  
25 used by school districts when implementing the program on personal  
26 financial literacy.

27 (c) The state board of education shall develop state curriculum  
28 standards for personal financial literacy, for all grade levels, within the  
29 existing mathematics curriculum or another appropriate subject-matter  
30 curriculum.

31 (d) The state board of education shall encourage school districts when  
32 selecting textbooks for mathematics, economics, family and consumer  
33 science, accounting or other appropriate courses, to select those textbooks  
34 which contain substantive provisions on personal finance, including  
35 personal budgeting, credit, debt management and other topics concerning  
36 personal financial literacy.

37 (e) The state board of education shall include questions relating to  
38 personal financial literacy in the statewide assessments for mathematics or  
39 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 44*, and  
40 amendments thereto. When the statewide assessments for mathematics or  
41 social studies are reviewed or rewritten, the state board of education shall  
42 examine the questions relating to personal financial literacy and rewrite  
43 such questions in order to determine if programs on personal financial

1 literacy are equipping students with the knowledge and skills needed to  
2 become self-supporting and enabling students to make critical decisions  
3 regarding personal finances.

4 Sec. 74. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as  
5 follows: 72-8187. (a) In each school year, to the extent that appropriations  
6 are available, each school district which has provided educational services  
7 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
8 psychiatric residential treatment facility or for pupils confined in a juvenile  
9 detention facility is eligible to receive a grant of state moneys in an  
10 amount to be determined by the state board of education.

11 (b) In order to be eligible for a grant of state moneys provided for by  
12 this section, each school district which has provided educational services  
13 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
14 psychiatric residential treatment facility or for pupils confined in a juvenile  
15 detention facility shall submit to the state board of education an  
16 application for a grant and shall certify the amount expended, and not  
17 reimbursed or otherwise financed, in the school year for the services  
18 provided. The application and certification shall be prepared in such form  
19 and manner as the state board shall require and shall be submitted at a time  
20 to be determined and specified by the state board. Approval by the state  
21 board of applications for grants of state moneys is prerequisite to the  
22 award of grants.

23 (c) Each school district which is awarded a grant under this section  
24 shall make such periodic and special reports of statistical and financial  
25 information to the state board as it may request.

26 (d) All moneys received by a school district under authority of this  
27 section shall be deposited in the general fund of the school district and  
28 shall be considered reimbursement of the district for the purpose of the  
29 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
30 ~~6463 education finance act, section 3 et seq., and amendments thereto.~~

31 (e) The state board of education shall approve applications of school  
32 districts for grants, determine the amount of grants and be responsible for  
33 payment of grants to school districts. In determining the amount of a grant  
34 which a school district is eligible to receive, the state board shall compute  
35 the amount of state financial aid the district would have received on the  
36 basis of enrollment of pupils residing at the Flint Hills job corps center,  
37 housed at a psychiatric residential treatment facility or confined in a  
38 juvenile detention facility if such pupils had been counted as two pupils  
39 under the school district finance and quality performance act and compare  
40 such computed amount to the amount certified by the district under  
41 subsection (b). The amount of the grant the district is eligible to receive  
42 shall be an amount equal to the lesser of the amount computed under this  
43 subsection or the amount certified under subsection (b). If the amount of

1 appropriations for the payment of grants under this section is insufficient  
2 to pay in full the amount each school district is determined to be eligible to  
3 receive for the school year, the state board shall prorate the amount  
4 appropriated among all school districts which are eligible to receive grants  
5 of state moneys in proportion to the amount each school district is  
6 determined to be eligible to receive.

7 (f) On or before July 1 of each year, the secretary for aging and  
8 disability services shall submit to the Kansas department of education a list  
9 of facilities which have been certified and licensed as psychiatric  
10 residential treatment facilities.

11 (g) As used in this section:

12 (1) "Enrollment" means the number of pupils who are: (A) Residing  
13 at the Flint Hills job corps center, confined in a juvenile detention facility  
14 or residing at a psychiatric residential treatment facility; and (B) for whom  
15 a school district is providing educational services on September 20, on  
16 November 20, or on April 20 of a school year, whichever is the greatest  
17 number of pupils;

18 (2) "juvenile detention facility" means any public or private facility  
19 which is used for the lawful custody of accused or adjudicated juvenile  
20 offenders and which shall not be a jail; and

21 (3) "psychiatric residential treatment facility" means a facility which  
22 provides psychiatric services to individuals under the age of 21 and which  
23 conforms with the regulations of the centers for medicare/medicaid  
24 services, is licensed and certified by the Kansas department for aging and  
25 disability services pursuant to subsection (f).

26 Sec. 75. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as  
27 follows: 72-8190. (a) For the purpose of determination of *supplemental*  
28 *general state aid under section 17, and amendments thereto, and* payments  
29 from the school district capital improvements fund under K.S.A. 75-2319,  
30 and amendments thereto, notwithstanding any provision of either such  
31 statutory section to the contrary, the term assessed valuation per pupil, as  
32 applied to unified school district No. 203, Wyandotte county, shall not  
33 include within its meaning the assessed valuation of property which is  
34 owned by Sunflower Racing, Inc. and operated as a racetrack facility  
35 known as the Woodlands. The meaning of assessed valuation per pupil as  
36 provided in this subsection, for the purposes specified in this subsection,  
37 and as applied to the unified school district designated in this subsection,  
38 shall be in force and effect for the 1994-95 and 1995-96 school years.

39 (b) (1) In the event unified school district No. 203, Wyandotte county,  
40 receives in any school year the proceeds from any taxes which may be  
41 paid upon the Woodlands for the 1994-95 school year or the 1995-96  
42 school year or for both such school years, the state board of education  
43 shall deduct an amount equal to the amount of such tax proceeds from

1 future payments of state aid to which the district is entitled.

2 (2) For the purposes of this subsection, the term "state aid" means  
3 payments from the school district capital improvements fund.

4 Sec. 76. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as  
5 follows: 72-8230. (a) In the event the boards of education of any two or  
6 more school districts enter into a school district interlocal cooperation  
7 agreement for the purpose of jointly and cooperatively performing any of  
8 the services, duties, functions, activities, obligations or responsibilities  
9 which are authorized or required by law to be performed by school  
10 districts of this state, the following conditions shall apply:

11 (1) A school district interlocal cooperation agreement shall establish a  
12 board of directors which shall be responsible for administering the joint or  
13 cooperative undertaking. The agreement shall specify the organization and  
14 composition of and manner of appointment to the board of directors. Only  
15 members of boards of education of school districts party to the agreement  
16 shall be eligible for membership on the board of directors. The terms of  
17 office of members of the board of directors shall expire concurrently with  
18 their terms as board of education members. Vacancies in the membership  
19 of the board of directors shall be filled within 30 days from the date of the  
20 vacancy in the manner specified in the agreement.

21 (2) A school district interlocal cooperation agreement may provide  
22 for the establishment and composition of an executive board. The  
23 members of the executive board, if established, shall be selected by the  
24 board of directors from its membership. The executive board shall exercise  
25 the powers, have the responsibilities, and perform the duties and functions  
26 of the board of directors to the extent authority to do so is delegated by the  
27 board of directors.

28 (3) A school district interlocal cooperation agreement shall be  
29 effective only after approval by the state board of education.

30 (4) A school district interlocal cooperation agreement shall be subject  
31 to change or termination by the legislature.

32 (5) The duration of a school district interlocal cooperation agreement  
33 for joint or cooperative action in performing any of the services, duties,  
34 functions, activities, obligations or responsibilities, other than the  
35 provision of special education services, which are authorized or required  
36 by law to be performed by school districts of this state, shall be for a term  
37 of at least three years but not exceeding five years.

38 (6) (A) The duration of a school district interlocal cooperation  
39 agreement for joint or cooperative action in providing special education  
40 services shall be perpetual unless the agreement is partially or completely  
41 terminated in accordance with this provision. This provision applies to  
42 every school district interlocal cooperation agreement for the provision of  
43 special education services entered into under authority of this section after

1 the effective date of this act and to every such agreement entered into  
2 under this section prior to the effective date of this act, and extant on the  
3 effective date of this act, regardless of any provisions in such an agreement  
4 to the contrary.

5 (B) Partial termination of a school district interlocal cooperation  
6 agreement for the provision of special education services made and  
7 entered into by the boards of three or more school districts may be  
8 accomplished only upon petition for withdrawal from the agreement by a  
9 contracting school district to the other contracting school districts and  
10 approval by the state board of written consent to the petition by such other  
11 school districts or upon order of the state board after appeal to it by a  
12 school district from denial of consent to a petition for withdrawal and  
13 hearing thereon conducted by the state board. The state board shall  
14 consider all the testimony and evidence brought forth at the hearing and  
15 issue an order approving or disapproving withdrawal by the school district  
16 from the agreement.

17 (C) Complete termination of a school district interlocal cooperation  
18 agreement for the provision of special education services made and  
19 entered into by the boards of two school districts may be accomplished  
20 upon approval by the state board of a joint petition made to the state board  
21 for termination of the agreement by both of the contracting school districts  
22 after adoption of a resolution to that effect by each of the contracting  
23 school districts or upon petition for withdrawal from the agreement made  
24 by a contracting school district to the other contracting school district and  
25 approval by the state board of written consent to the petition by such other  
26 school district or upon order of the state board after appeal to it by a school  
27 district from denial of consent to a petition for withdrawal and hearing  
28 thereon conducted by the state board. The state board shall consider all the  
29 testimony and evidence brought forth at the hearing and issue an order  
30 approving or disapproving withdrawal by the school district from the  
31 agreement.

32 (D) Complete termination of a school district interlocal cooperation  
33 agreement for the provision of special education services made and  
34 entered into by the boards of three or more school districts may be  
35 accomplished only upon approval by the state board of a joint petition  
36 made to the state board for termination of the agreement by not less than  
37  $\frac{2}{3}$  of the contracting school districts after adoption of a resolution to that  
38 effect by each of the contracting school districts seeking termination of the  
39 agreement. The state board shall consider the petition and approve or  
40 disapprove termination of the agreement.

41 (E) The state board shall take such action in approving or  
42 disapproving the complete or partial termination of a school district  
43 interlocal cooperation agreement for the provision of special education

1 services as the state board deems to be in the best interests of the involved  
2 school districts and of the state as a whole in the provision of special  
3 education services for exceptional children. Whenever the state board has  
4 disapproved the complete or partial termination of such an agreement, no  
5 further action with respect to such agreement shall be considered or taken  
6 by the state board for a period of not less than three years.

7 (7) A school district interlocal cooperation agreement shall specify  
8 the method or methods to be employed for disposing of property upon  
9 partial or complete termination.

10 (8) Within the limitations provided by law, a school district interlocal  
11 cooperation agreement may be changed or modified by affirmative vote of  
12 not less than  $\frac{2}{3}$  of the contracting school districts.

13 (b) Except as otherwise specifically provided in this subsection, any  
14 power or powers, privileges or authority exercised or capable of exercise  
15 by any school district of this state, or by any board of education thereof,  
16 may be jointly exercised pursuant to the provisions of a school district  
17 interlocal cooperation agreement. No power or powers, privileges or  
18 authority with respect to the levy and collection of taxes, the issuance of  
19 bonds, or the purposes and provisions of the ~~classroom learning assuring~~  
20 ~~student success act~~, K.S.A. 2016 Supp. 72-6463 *education finance act*,  
21 *section 3* et seq., and amendments thereto, or title I of public law 874 shall  
22 be created or effectuated for joint exercise pursuant to the provisions of a  
23 school district interlocal cooperation agreement.

24 (c) Payments from the general fund of each school district which  
25 enters into any school district interlocal cooperation agreement for the  
26 purpose of financing the joint or cooperative undertaking provided for by  
27 the agreement shall be operating expenses.

28 (d) Upon partial termination of a school district interlocal cooperation  
29 agreement, the board of directors established under a renegotiated  
30 agreement thereof shall be the successor in every respect to the board of  
31 directors established under the former agreement.

32 (e) Nothing contained in this section shall be construed to abrogate,  
33 interfere with, impair, qualify or affect in any manner the exercise and  
34 enjoyment of all of the powers, privileges and authority conferred upon  
35 school districts and boards of education thereof by the provisions of the  
36 interlocal cooperation act, except that boards of education and school  
37 districts are required to comply with the provisions of this section when  
38 entering into an interlocal cooperation agreement that meets the definition  
39 of school district interlocal cooperation agreement.

40 (f) As used in this section:

41 (1) "School district interlocal cooperation agreement" means an  
42 agreement which is entered into by the boards of education of two or more  
43 school districts pursuant to the provisions of the interlocal cooperation act.

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

2 Sec. 77. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as  
3 follows: 72-8233. (a) In accordance with the provisions of this section, the  
4 boards of education of any two or more unified school districts may make  
5 and enter into agreements providing for the attendance of pupils residing  
6 in one school district at school in kindergarten or any of the grades one  
7 through 12 maintained by any such other school district. The boards of  
8 education may also provide by agreement for the combination of  
9 enrollments for kindergarten or one or more grades, courses or units of  
10 instruction.

11 (b) Prior to entering into any agreement under authority of this  
12 section, the board of education shall adopt a resolution declaring that it has  
13 made a determination that such an agreement should be made and that the  
14 making and entering into of such an agreement would be in the best  
15 interests of the educational system of the school district. Any such  
16 agreement is subject to the following conditions:

17 (1) The agreement may be for any term not exceeding a term of five  
18 years.

19 (2) The agreement shall be subject to change or termination by the  
20 legislature.

21 (3) Within the limitations provided by law, the agreement may be  
22 changed or terminated by mutual agreement of the participating boards of  
23 education.

24 (4) The agreement shall make provision for transportation of pupils to  
25 and from the school attended on every school day, for payment or sharing  
26 of the costs and expenses of pupil attendance at school, and for the  
27 authority and responsibility of the participating boards of education.

28 (c) Provision by agreements entered into under authority of this  
29 section for the attendance of pupils at school in a school district of  
30 nonresidence of such pupils shall be deemed to be compliance with the  
31 kindergarten, grade, course and units of instruction requirements of law.

32 (d) The board of education of any school district which enters into an  
33 agreement under authority of this section for the attendance of pupils at  
34 school in another school district may discontinue kindergarten or any or all  
35 of the grades, courses and units of instruction specified in the agreement  
36 for attendance of pupils enrolled in kindergarten or any such grades,  
37 courses and units of instruction at school in such other school district.  
38 Upon discontinuing kindergarten or any grade, course or unit of instruction  
39 under authority of this subsection, the board of education may close any  
40 school building or buildings operated or used for attendance by pupils  
41 enrolled in such discontinued kindergarten, grades, courses or units of  
42 instruction. The closing of any school building under authority of this  
43 subsection shall require a majority vote of the members of the board of

1 education and shall require no other procedure or approval.

2 (e) Pupils attending school in a school district of nonresidence of  
3 such pupils in accordance with an agreement made and entered into under  
4 authority of this section shall be counted as regularly enrolled in and  
5 attending school in the school district of residence of such pupils for the  
6 purpose of computations under the ~~classroom learning assuring student~~  
7 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *education finance act, section 3 et*  
8 *seq.*, and amendments thereto.

9 (f) Pupils who satisfactorily complete grade 12 while in attendance at  
10 school in a school district of nonresidence of such pupils in accordance  
11 with the provisions of an agreement entered into under authority of this  
12 section shall be certified as having graduated from the school district of  
13 residence of such pupils unless otherwise provided for by the agreement.

14 Sec. 78. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as  
15 follows: 72-8236. (a) The board of education of any school district may:  
16 (1) Establish, operate and maintain a child care facility; (2) enter into  
17 cooperative or interlocal agreements with one or more other boards for the  
18 establishment, operation and maintenance of a child care facility; (3)  
19 contract with private, nonprofit corporations or associations or with any  
20 public or private agency or institution, whether located within or outside  
21 the state, for the establishment, operation and maintenance of a child care  
22 facility; and (4) prescribe and collect fees for providing care at a child care  
23 facility.

24 (b) Fees for providing care at a child care facility established under  
25 authority of this section shall be prescribed and collected only to recover  
26 the costs incurred as a result of and directly attributable to the  
27 establishment, operation and maintenance of the child care facility.  
28 Revenues from fees collected by a board under this section shall be  
29 deposited in the general fund of the school district and shall be considered  
30 reimbursements to the district for the purpose of the ~~classroom learning~~  
31 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *education*  
32 *finance act, section 3 et seq.*, and amendments thereto, and may be  
33 expended whether the same have been budgeted or not and amounts so  
34 expended shall not be considered operating expenses.

35 (c) Every school district which establishes, operates and maintains a  
36 child care facility shall be subject to the provisions contained in article 5 of  
37 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

38 (d) As used in this section, the term "child" means any child who is  
39 three years of age or older, and any infant or toddler whose parent or  
40 parents are pupils or employees of a school district which establishes,  
41 operates and maintains, or cooperates in the establishment, operation and  
42 maintenance of, a child care facility under authority of this act.

43 Sec. 79. K.S.A. 2016 Supp. 72-8237 is hereby amended to read as



1 follows: 72-8237. (a) The board of education of any school district may:  
2 (1) Establish, operate and maintain a summer program for pupils; (2) enter  
3 into cooperative or interlocal agreements with one or more other boards of  
4 education for the establishment, operation and maintenance of a summer  
5 program for pupils; and (3) prescribe and collect fees for providing a  
6 summer program for pupils or provide such program without charge.

7 (b) Fees for providing a summer program for pupils shall be  
8 prescribed and collected only to recover the costs incurred as a result of  
9 and directly attributable to the establishment, operation and maintenance  
10 of the program.

11 (c) No school district may collect fees for providing a summer  
12 program for pupils required to attend such a program in accordance with  
13 the provisions of law, rules and regulations of the state board of education,  
14 policy of the board of education, or an individualized education plan  
15 developed for an exceptional child.

16 (d) There is hereby established in every district which establishes,  
17 operates and maintains a summer program a fund which shall be called the  
18 summer program fund, which fund shall consist of all moneys deposited  
19 therein or transferred thereto according to law. All moneys received by a  
20 district from fees collected under this section or from any other source for  
21 summer programs shall be credited to the summer program fund. ~~Amounts~~  
22 ~~deposited in the summer program fund may be used for the payment of~~  
23 ~~expenses directly attributable to the program or may be transferred to the~~  
24 ~~general fund of the school district as approved by the board of education~~  
25 *The expenses of the school district directly attributable to summer*  
26 *programs shall be paid from the summer program fund.*

27 *Any unencumbered balance of moneys remaining in the summer*  
28 *program fund of a school district on June 30 of the current school year*  
29 *may be expended in the school year that immediately succeeds such date*  
30 *by the school district for general operating expenses of the school district*  
31 *as approved by the board of education.*

32 (e) As used in this section, the term "summer program" means a  
33 program which is established by the board of education of a school district  
34 and operated during the summer months for the purpose of giving remedial  
35 instruction to pupils or for the purpose of conducting special projects and  
36 activities designed to enrich and enhance the educational experience of  
37 pupils, or for both such purposes.

38 Sec. 80. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as  
39 follows: 72-8249. (a) There is hereby established in every school district a  
40 special reserve fund. Moneys in such fund shall be used to:

41 (1) Pay claims, judgments, expenses and other purposes relating to  
42 health care services, disability income benefits and group life insurance  
43 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

- 1 (2) pay costs relating to uninsured losses; and  
 2 (3) pay the cost of workers compensation insurance and workers  
 3 compensation claims, awards, expenses and other purposes authorized by  
 4 the workers compensation act.

5 ~~Moneys in such fund may be transferred to the general fund of the~~  
 6 ~~school district as approved by the board of education.~~

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

16 Sec. 81. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as  
 17 follows: 72-8250. (a) There is hereby established in every school district a  
 18 textbook and student materials revolving fund. Moneys in such fund shall  
 19 be used to:

- 20 (1) Purchase any items designated in K.S.A. 72-5389, and  
 21 amendments thereto;  
 22 (2) pay the cost of materials or other items used in curricular,  
 23 extracurricular or other school-related activities; and  
 24 (3) purchase textbooks as authorized by K.S.A. 72-4141, and  
 25 amendments thereto.

26 ~~Moneys in such fund may be transferred to the general fund of the~~  
 27 ~~school district as approved by the board of education.~~

- 28 (b) Any balance remaining in the textbook and student materials  
 29 revolving fund at the end of the budget year shall be carried forward into  
 30 that fund for succeeding budget years. Such fund shall not be subject to the  
 31 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
 32 In preparing the budget of such school district, the amounts credited to and  
 33 the amount on hand in the textbook and student materials revolving fund,  
 34 and the amount expended therefrom shall be included in the annual budget  
 35 for the information of the residents of the school district. ~~Interest earned on~~  
 36 ~~the investment of moneys in any such fund shall be credited to that fund.~~

37 *Any unencumbered balance of moneys remaining in the textbook and*  
 38 *student materials revolving fund of a school district on June 30 of the*  
 39 *current school year may be expended in the school year that immediately*  
 40 *succeeds such date by the school district for general operating expenses of*  
 41 *the school district as approved by the board of education in an amount not*  
 42 *to exceed 1/3 of such balance in the school district's textbook and student*  
 43 *materials revolving fund.*

1 Sec. 82. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as  
2 follows: 72-8251. Whenever a school district is required by law to make  
3 any payment during the month of June and there is insufficient revenue to  
4 make such payment as a result of the payment of state aid after the date  
5 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~  
6 ~~72-6466~~ section 7, and amendments thereto, the school district shall make  
7 such payment as soon as moneys are available.

8 Sec. 83. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as  
9 follows: 72-8302. (a) The board of education of a school district may  
10 provide or furnish transportation for pupils who are enrolled in the school  
11 district to or from any school of the school district or to or from any school  
12 of another school district attended by such pupils in accordance with the  
13 provisions of an agreement entered into under authority of K.S.A. 72-  
14 8233, and amendments thereto.

15 (b) (1) When any or all of the conditions specified in this provision  
16 exist, the board of education of a school district shall provide or furnish  
17 transportation for pupils who reside in the school district and who attend  
18 any school of the school district or who attend any school of another  
19 school district in accordance with the provisions of an agreement entered  
20 into under authority of K.S.A. 72-8233, and amendments thereto. The  
21 conditions which apply to the requirements of this provision are as  
22 follows:

23 (A) The residence of the pupil is inside or outside the corporate limits  
24 of a city, the school building attended is outside the corporate limits of a  
25 city and the school building attended is more than 2<sup>1</sup>/<sub>2</sub> miles by the usually  
26 traveled road from the residence of the pupil; or

27 (B) the residence of the pupil is outside the corporate limits of a city,  
28 the school building attended is inside the corporate limits of a city and the  
29 school building attended is more than 2<sup>1</sup>/<sub>2</sub> miles by the usually traveled  
30 road from the residence of the pupil; or

31 (C) the residence of the pupil is inside the corporate limits of one city,  
32 the school building attended is inside the corporate limits of a different city  
33 and the school building attended is more than 2<sup>1</sup>/<sub>2</sub> miles by the usually  
34 traveled road from the residence of the pupil.

35 (2) The provisions of this subsection are subject to the provisions of  
36 subsections (c) and (d).

37 (c) The board of education of every school district is authorized to  
38 adopt rules and regulations to govern the conduct, control and discipline of  
39 all pupils while being transported in school buses. The board may suspend  
40 or revoke the transportation privilege or entitlement of any pupil who  
41 violates any rules and regulations adopted by the board under authority of  
42 this subsection.

43 (d) The board of education of every school district may suspend or

1 revoke the transportation privilege or entitlement of any pupil who is  
2 detained at school at the conclusion of the school day for violation of any  
3 rules and regulations governing pupil conduct or for disobedience of an  
4 order of a teacher or other school authority. Suspension or revocation of  
5 the transportation privilege or entitlement of any pupil specified in this  
6 subsection shall be limited to the school day or days on which the pupil is  
7 detained at school. The provisions of this subsection do not apply to any  
8 pupil who has been determined to be an exceptional child, except gifted  
9 children, under the provisions of the special education for exceptional  
10 children act.

11 (e) (1) Subject to the limitations specified in this subsection, the  
12 board of education of any school district may prescribe and collect fees to  
13 offset, totally or in part, the costs incurred for the provision or furnishing  
14 of transportation for pupils. The limitations which apply to the  
15 authorization granted by this subsection are as follows:

16 (A) Fees for the provision or furnishing of transportation for pupils  
17 shall be prescribed and collected only to recover the costs incurred as a  
18 result of and directly attributable to the provision or furnishing of  
19 transportation for pupils and only to the extent that such costs are not  
20 reimbursed from any other source provided by law;

21 (B) fees for the provision or furnishing of transportation may not be  
22 assessed against or collected from any pupil *who is counted in determining*  
23 *the transportation weighting of the school district under the education*  
24 *finance act, section 3 et seq., and amendments thereto, or any pupil who is*  
25 *determined to be a child with disabilities under the provisions of the*  
26 *special education for exceptional children act or any pupil who is eligible*  
27 *for free or reduced price meals under the national school lunch act or any*  
28 *pupil who is entitled to transportation under the provisions of K.S.A. 72-*  
29 *8306(a), and amendments thereto, and who resides 2½ miles or more by*  
30 *the regular route of a school bus from the school attended;*

31 (C) fees for the provision or furnishing of transportation for pupils in  
32 accordance with the provisions of an agreement entered into under  
33 authority of K.S.A. 72-8233 or 72-8307, and amendments thereto, shall be  
34 controlled by the provisions of the agreement.

35 (2) All moneys received by a school district from fees collected under  
36 this subsection shall be deposited in the general fund of the district.

37 Sec. 84. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as  
38 follows: 72-8309. (a) The board of education of a school district shall not  
39 furnish or provide transportation for pupils or students who reside in  
40 another school district except in accordance with the written consent of the  
41 board of education of the school district in which such pupil or student  
42 resides, or in accordance with an order issued by a board of education  
43 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in

1 accordance with the provisions of an agreement entered into under  
2 authority of K.S.A. 72-8233, and amendments thereto.

3 (b) A school district may transport a nonresident pupil or student if  
4 such pupil or student boards the school bus within the boundaries or on the  
5 boundary of the transporting school district. To the extent that the  
6 provisions of this subsection conflict with the provisions of subsection (a),  
7 the provisions of subsection (a) shall control.

8 (c) *No pupil who is furnished or provided transportation by a school*  
9 *district that is not the school district in which the pupil resides shall be*  
10 *counted in the computation of the school district's transportation*  
11 *weighting under the education finance act, section 3 et seq., and*  
12 *amendments thereto.*

13 Sec. 85. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as  
14 follows: 72-8316. (a) Any board of education, pursuant to a policy  
15 developed and adopted by it, may provide for the use of district-owned or  
16 leased school buses when such buses are not being used for regularly  
17 required school purposes. The policy may provide for:

18 (1) (A) Transporting parents and other adults to or from school-  
19 related functions or activities; (B) transporting pupils to or from functions  
20 or activities sponsored by organizations, the membership of which is  
21 principally composed of children of school age; and (C) transporting  
22 persons engaged in field trips in connection with their participation in an  
23 adult education program maintained by the transporting school district or  
24 by any other school district, within or outside the boundaries of the  
25 transporting school district; and

26 (2) contracting with: (A) The governing body of any township, city or  
27 county for transportation of individuals, groups or organizations; (B) the  
28 governing authority of any nonpublic school for transportation of pupils  
29 attending such nonpublic school to or from interschool or intraschool  
30 functions or activities; (C) the board of trustees of any community college  
31 for transportation of students enrolled in such community college to or  
32 from attendance at class at the community college or to and from functions  
33 or activities of the community college; (D) a public recreation commission  
34 established and operated under the laws of this state, for any purposes  
35 related to the operation of the recreation commission and all programs and  
36 services thereof; (E) the board of education of any other school district for  
37 transportation, on a cooperative and shared-cost basis, of pupils, school  
38 personnel, parents and other adults to or from school-related functions or  
39 activities; or (F) a four-year college or university, area vocational school or  
40 area vocational-technical school for transportation of students to or from  
41 attendance at class at the four-year college or university, area vocational  
42 school or area vocational-technical school or for transportation of students,  
43 alumni and other members of the public to or from functions or activities

1 of the four-year college or university, area vocational school or area  
2 vocational-technical school.

3 (b) *The costs related to the use of school buses under the authority of*  
4 *this section shall not be considered in determining the transportation*  
5 *weighting of a school district under the education finance act, section 3, et*  
6 *seq., and amendments thereto.*

7 (b)(c) Transportation fees may be charged by the board to offset,  
8 totally or in part, the costs incurred for the use of school buses under  
9 authority of this section.

10 (e)(d) Any revenues received by a board of education as  
11 transportation fees or under any contract entered into pursuant to this  
12 section shall be deposited in the general fund of the school district and  
13 shall be considered reimbursements to the school district for the purpose of  
14 ~~the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~  
15 ~~6463~~ *education finance act, section 3 et seq., and amendments thereto.*  
16 Such revenues may be expended whether the same have been budgeted or  
17 not.

18 (d) The provisions of K.S.A. 8-1556(c), and amendments thereto,  
19 apply to the use of school buses under authority of this section.

20 Sec. 86. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as  
21 follows: 72-8415b. (a) Any school district that elects to become a self-  
22 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,  
23 may transfer moneys from its general fund to the special reserve fund of  
24 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 40*, and  
25 amendments thereto.

26 (b) Any community college that elects to become a self-insurer under  
27 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer  
28 such amounts from its general fund to the health care services reserve fund  
29 or the disability income benefits reserve fund, or the group life benefit  
30 reserve fund, or all three, as may be deemed necessary to meet the cost of  
31 health care services or disability income benefits, or group life insurance  
32 claims, whichever is applicable.

33 Sec. 87. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as  
34 follows: 72-8801. (a) The board of education of any school district may  
35 make an annual tax levy at a mill rate not to exceed the statutorily  
36 prescribed mill rate upon the taxable tangible property in the school  
37 district for the purposes specified in this act and, *with respect to any*  
38 *redevelopment district established prior to July 1, 2017, pursuant to*  
39 *K.S.A. 12-1771, and amendments thereto*, for the purpose of paying a  
40 portion of the principal and interest on bonds issued by cities under the  
41 authority of K.S.A. 12-1774, and amendments thereto, for the financing of  
42 redevelopment projects upon property located within the school district.  
43 No levy shall be made under this act until a resolution is adopted by the

1 board of education in the following form:  
2 Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas.

3 RESOLUTION

4 Be It Resolved that:

5 The above-named school board shall be authorized to make an annual  
6 tax levy ~~for a period not to exceed \_\_\_\_\_ years~~ in an amount not to  
7 exceed \_\_\_\_\_ mills upon the taxable tangible property in the school  
8 district for the purpose of acquisition, construction, reconstruction, repair,  
9 remodeling, additions to, furnishing, maintaining and equipping of school  
10 district property and equipment necessary for school district purposes,  
11 including: (1) Acquisition of computer software; (2) acquisition of  
12 performance uniforms; (3) housing and boarding pupils enrolled in an area  
13 vocational school operated under the board; (4) architectural expenses; (5)  
14 acquisition of building sites; (6) undertaking and maintenance of asbestos  
15 control projects; (7) acquisition of school buses; and (8) acquisition of  
16 other fixed assets, and, *with respect to any redevelopment district*  
17 *established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and*  
18 *amendments thereto*, for the purpose of paying a portion of the principal  
19 and interest on bonds issued by cities under the authority of K.S.A. 12-  
20 1774, and amendments thereto, for the financing of redevelopment  
21 projects upon property located within the school district. The tax levy  
22 authorized by this resolution may be made, unless a petition in opposition  
23 to the same, signed by not less than 10% of the qualified electors of the  
24 school district, is filed with the county election officer of the home county  
25 of the school district within 40 calendar days after the last publication of  
26 this resolution. In the event a petition is filed, the county election officer  
27 shall submit the question of whether the tax levy shall be authorized to the  
28 electors in the school district at an election called for that purpose or at the  
29 next general election, as is specified by the board of education of the  
30 above school district.

31 CERTIFICATE

32 This is to certify that the above resolution was duly adopted by the  
33 board of education of Unified School District No. \_\_\_\_\_,  
34 \_\_\_\_\_ County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_

35 \_\_\_\_\_  
36 Clerk of the board of education.

37 All of the blanks in the above resolution shall be appropriately filled.  
38 The blank preceding the word "years" ~~shall be filled with a specific~~  
39 ~~number, and the blank preceding the word "mills" shall be filled with a~~  
40 ~~specific number, and no word shall be inserted in either of the blanks.~~ The  
41 resolution shall be published once a week for two consecutive weeks in a  
42 newspaper having general circulation in the school district. If no petition  
43 as specified above is filed in accordance with the provisions of the

1 resolution, the board of education may make the tax levy specified in the  
2 resolution. If a petition is filed as provided in the resolution, the board of  
3 education may notify the county election officer of the date of an election  
4 to be held to submit the question of whether the tax levy shall be  
5 authorized. If the board of education fails to notify the county election  
6 officer within 60 calendar days after a petition is filed, the resolution shall  
7 be deemed abandoned and no like resolution shall be adopted by the board  
8 of education within the nine months following the first publication of the  
9 resolution.

10 (b) As used in this act:

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

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

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

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

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

36 Sec. 88. K.S.A. 72-8803 is hereby amended to read as follows: 72-  
37 8803. There is hereby established in every school district of the state a  
38 fund which shall be called the capital outlay fund. The capital outlay fund  
39 shall consist of all moneys deposited therein or transferred thereto in  
40 accordance with law. The proceeds of any tax levied under article 88 of  
41 chapter 72 of Kansas Statutes Annotated, *and amendments thereto, shall*  
42 *be deposited in the capital outlay fund of the school district making such*  
43 *levy, except for an amount to pay a portion of the principal and interest on*



1 bonds issued by cities under the authority of K.S.A. 12-1774, and  
 2 amendments thereto, for the financing of redevelopment projects upon  
 3 property located within the school district, ~~shall be deposited in the capital~~  
 4 ~~outlay fund of the school district making such levy with respect to any~~  
 5 ~~redevelopment district established prior to July 1, 2017, pursuant to~~  
 6 ~~K.S.A. 12-1771, and amendments thereto.~~

7 Sec. 89. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as  
 8 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school  
 9 district and any moneys received from issuance of bonds under K.S.A. 72-  
 10 8805 or 72-8810, and amendments thereto, may be used for the purpose of  
 11 the acquisition, construction, reconstruction, repair, remodeling, additions  
 12 to, furnishing, maintaining and equipping of school district property and  
 13 equipment necessary for school district purposes, including: (1)  
 14 Acquisition of computer software; (2) acquisition of performance  
 15 uniforms; (3) housing and boarding pupils enrolled in an area vocational  
 16 school operated under the board of education; (4) architectural expenses;  
 17 (5) acquisition of building sites; (6) undertaking and maintenance of  
 18 asbestos control projects; (7) acquisition of school buses; and (8)  
 19 acquisition of other fixed assets, ~~and, for school years 2015-2016 and~~  
 20 ~~2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and~~  
 21 ~~amendments thereto, may be transferred to the general fund of the school~~  
 22 ~~district as approved by the board of education.~~

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

32 Sec. 90. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as  
 33 follows: 72-8908. As used in this act:

- 34 (a) "Juvenile" means a person who is less than 18 years of age;  
 35 (b) "adult" means a person who is 18 years of age or older;  
 36 (c) "felony" means any crime designated a felony by the laws of  
 37 Kansas or the United States;  
 38 (d) "misdemeanor" means any crime designated a misdemeanor by  
 39 the laws of Kansas or the United States;  
 40 (e) "school day" means any day on which school is maintained;  
 41 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016-~~  
 42 ~~Supp. 72-6464 section 4, and amendments thereto;~~  
 43 (g) "counsel" means any person a pupil selects to represent and

1 advise the pupil at all proceedings conducted pursuant to the provisions of  
2 this act; and

3 (h) "principal witness" means any witness whose testimony is of  
4 major importance in support of the charges upon which a proposed  
5 suspension or expulsion from school is based, or in determination of  
6 material questions of fact.

7 Sec. 91. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as  
8 follows: 72-9509. (a) There is hereby established in every school district a  
9 fund which shall be called the bilingual education fund, which fund shall  
10 consist of all moneys deposited therein or transferred thereto according to  
11 law. ~~Amounts deposited in the bilingual education fund may be used for~~  
12 ~~the payment of expenses directly attributable to bilingual education or may~~  
13 ~~be transferred to the general fund of the school district as approved by the~~  
14 ~~board of education~~ *The expenses of a school district directly attributable*  
15 *to such bilingual education programs shall be paid from the bilingual*  
16 *education fund.*

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

26 *Any unencumbered balance of moneys remaining in the bilingual*  
27 *education fund of a school district on June 30 of the current school year*  
28 *may be expended in the school year that immediately succeeds such date*  
29 *by the school district for general operating expenses of the school district*  
30 *as approved by the board of education.*

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

39 Sec. 92. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as  
40 follows: 72-9609. There is hereby established in every school district a  
41 fund which shall be called the professional development fund, which fund  
42 shall consist of all moneys deposited therein or transferred thereto  
43 according to law. All moneys received by the school district from whatever

1 source for professional development programs established under this act  
2 shall be credited to the fund established by this section. ~~Amounts deposited~~  
3 ~~in the professional development fund may be used for the payment of~~  
4 ~~expenses directly attributable to professional development or may be~~  
5 ~~transferred to the general fund of the school district as approved by the~~  
6 ~~board of education~~ *The expenses of a school district directly attributable*  
7 *to professional development programs shall be paid from the professional*  
8 *development fund.*

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

14 Sec. 93. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as  
15 follows: 74-4939a. On and after the effective date of this act for each fiscal  
16 year commencing with fiscal year 2005, notwithstanding the provisions of  
17 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys  
18 appropriated for the department of education from the state general fund  
19 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,  
20 by appropriation act of the legislature, in the KPERS — employer  
21 contributions account and all moneys appropriated for the department of  
22 education from the state general fund or any special revenue fund for each  
23 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year  
24 thereafter, by any such appropriation act in that account or any other  
25 account for payment of employer contributions for school districts, shall  
26 be distributed by the department of education to school districts in  
27 accordance with this section. Notwithstanding the provisions of K.S.A. 74-  
28 4939, and amendments thereto, ~~for school year 2015-2016,~~ the department  
29 of education shall disburse to each school district that is an eligible  
30 employer as specified in K.S.A. 74-4931(1), and amendments thereto, an  
31 amount ~~in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~  
32 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~  
33 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~  
34 ~~of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,~~  
35 ~~the department of education shall disburse to each school district that is an~~  
36 ~~eligible employer as specified in K.S.A. 74-4931(1), and amendments~~  
37 ~~thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),~~  
38 ~~and amendments thereto, which shall be disbursed pursuant to K.S.A.~~  
39 ~~2016 Supp. 72-6465, and amendments thereto certified by the board of~~  
40 ~~trustees of the Kansas public employees retirement system that is equal to~~  
41 ~~the participating employer's obligation of such school district to the~~  
42 ~~system in accordance with policies and procedures that are hereby~~  
43 ~~authorized and directed to be adopted by the state board of education for~~

1 *the purposes of this section and in accordance with any requirements*  
2 *prescribed by the board of trustees of the Kansas public employees*  
3 *retirement system.* Upon receipt of each such disbursement of moneys, the  
4 school district shall deposit the entire amount thereof into a special  
5 retirement contributions fund of the school district, which shall be  
6 established by the school district in accordance with such policies and  
7 procedures and which shall be used for the sole purpose of receiving such  
8 disbursements from the department of education and making the  
9 remittances to the system in accordance with this section and such policies  
10 and procedures. Upon receipt of each such disbursement of moneys from  
11 the department of education, the school district shall remit, in accordance  
12 with the provisions of such policies and procedures and in the manner and  
13 on the date or dates prescribed by the board of trustees of the Kansas  
14 public employees retirement system, an equal amount to the Kansas public  
15 employees retirement system from the special retirement contributions  
16 fund of the school district to satisfy such school district's obligation as a  
17 participating employer. Notwithstanding the provisions of K.S.A. 74-4939,  
18 and amendments thereto, each school district that is an eligible employer  
19 as specified in K.S.A. 74-4931(1), and amendments thereto, shall show  
20 within the budget of such school district all amounts received from  
21 disbursements into the special retirement contributions fund of such school  
22 district. Notwithstanding the provisions of any other statute, no official  
23 action of the school board of such school district shall be required to  
24 approve a remittance to the system in accordance with this section and  
25 such policies and procedures. All remittances of moneys to the system by a  
26 school district in accordance with this subsection and such policies and  
27 procedures shall be deemed to be expenditures of the school district.

28 Sec. 94. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as  
29 follows: 74-8925. (a) For the purposes of this act, the term "taxing  
30 subdivision" shall include the county, the city, the unified school district  
31 and any other taxing subdivision levying real property taxes, the territory  
32 or jurisdiction of which includes any currently existing or subsequently  
33 created redevelopment district. The term "real property taxes" includes all  
34 taxes levied on an ad valorem basis upon land and improvements thereon,  
35 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~  
36 ~~2016 Supp. 72-6470~~ *section 14*, and amendments thereto, or any other  
37 property tax levied by or on behalf of a school district.

38 (b) All tangible taxable property located within a redevelopment  
39 district shall be assessed and taxed for ad valorem tax purposes pursuant to  
40 law in the same manner that such property would be assessed and taxed if  
41 located outside such district, and all ad valorem taxes levied on such  
42 property shall be paid to and collected by the county treasurer in the same  
43 manner as other taxes are paid and collected. Except as otherwise provided

1 in this section, the county treasurer shall distribute such taxes as may be  
2 collected in the same manner as if such property were located outside a  
3 redevelopment district. Each redevelopment district established under the  
4 provisions of this act shall constitute a separate taxing unit for the purpose  
5 of the computation and levy of taxes.

6 (c) Beginning with the first payment of taxes which are levied  
7 following the date of approval of any redevelopment district established  
8 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes  
9 received by the county treasurer resulting from taxes which are levied  
10 subject to the provisions of this act by and for the benefit of a taxing  
11 subdivision, as herein defined, on property located within such  
12 redevelopment district constituting a separate taxing unit under the  
13 provisions of this section, shall be divided as follows:

14 (1) From the taxes levied each year subject to the provisions of this  
15 act by or for each of the taxing subdivisions upon property located within a  
16 redevelopment district constituting a separate taxing unit under the  
17 provisions of this act, the county treasurer first shall allocate and pay to  
18 each such taxing subdivision all of the real property taxes collected which  
19 are produced from that portion of the current assessed valuation of such  
20 real property located within such separate taxing unit which is equal to the  
21 total assessed value of such real property on the date of the establishment  
22 of the redevelopment district.

23 (2) Any real property taxes produced from that portion of the current  
24 assessed valuation of real property within the redevelopment district  
25 constituting a separate taxing unit under the provisions of this section in  
26 excess of an amount equal to the total assessed value of such real property  
27 on the effective date of the establishment of the district shall be allocated  
28 and paid by the county treasurer according to specified percentages of the  
29 tax increment expressly agreed upon and consented to by the governing  
30 bodies of the county and school district in which the redevelopment  
31 district is located. The amount of the real property taxes allocated and  
32 payable to the authority under the agreement shall be paid by the county  
33 treasurer to the treasurer of the state. The remaining amount of the real  
34 property taxes not payable to the authority shall be allocated and paid in  
35 the same manner as other ad valorem taxes. Any real property taxes paid to  
36 the state treasurer under this section shall be deposited in the  
37 redevelopment bond finance fund of the authority which is created  
38 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of  
39 any approved redevelopment project, including the payment of principal of  
40 and interest on any bonds issued by the authority to finance, in whole or in  
41 part, such project. When such bonds and interest thereon have been paid,  
42 all moneys thereafter received from real property taxes within such  
43 redevelopment district shall be allocated and paid to the respective taxing

1 subdivisions in the same manner as are other ad valorem taxes. If such  
2 bonds and interest thereon have been paid before the completion of a  
3 project, the authority may continue to use such moneys for any purpose  
4 authorized by the redevelopment agreement until such time as the project  
5 costs are paid or reimbursed, but for a period not to exceed the final  
6 scheduled maturity of the bonds.

7 (d) In any redevelopment plan or in the proceedings for the issuing of  
8 any bonds by the authority to finance a project, the property tax increment  
9 portion of taxes provided for in subsection (c)(2) may be irrevocably  
10 pledged for the payment of the principal of and interest on such bonds. The  
11 authority may adopt a redevelopment plan in which only a specified  
12 percentage of the tax increment realized from taxpayers in the  
13 redevelopment district is pledged to the payment of costs.

14 Sec. 95. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as  
15 follows: 74-99b43. (a) The Kansas development finance authority is  
16 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-  
17 8901 et seq., and amendments thereto, in one or more series to finance the  
18 undertaking of any bioscience development project in accordance with the  
19 provisions of this act. No special obligation bonds may be issued pursuant  
20 to this section unless the Kansas development finance authority has  
21 received a resolution of the board of the authority requesting the issuance  
22 of such bonds. Such special obligation bonds shall be made payable, both  
23 as to principal and interest from one or more of the following, as directed  
24 by the authority:

25 (1) From ad valorem tax increments allocated to, and paid into the  
26 bioscience development bond fund for the payment of the project costs of  
27 a bioscience development project under the provisions of this section;

28 (2) from any private sources, contributions or other financial  
29 assistance from the state or federal government;

30 (3) from a pledge of a portion or all of the revenue received from  
31 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et  
32 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments  
33 thereto, and which are collected from taxpayers doing business within that  
34 portion of the bioscience development district and paid into the bioscience  
35 development bond fund;

36 (4) from a pledge of a portion or all increased revenue received by  
37 any city from franchise fees collected from utilities and other businesses  
38 using public right-of-way within the bioscience development district; or

39 (5) by any combination of these methods.

40 (b) All tangible taxable property located within a bioscience  
41 development district shall be assessed and taxed for ad valorem tax  
42 purposes pursuant to law in the same manner that such property would be  
43 assessed and taxed if located outside such district, and all ad valorem taxes

1 levied on such property shall be paid to and collected by the county  
2 treasurer in the same manner as other taxes are paid and collected. Except  
3 as otherwise provided in this section, the county treasurer shall distribute  
4 such taxes as may be collected in the same manner as if such property  
5 were located outside a bioscience development district. Each bioscience  
6 development district established under the provisions of this act shall  
7 constitute a separate taxing unit for the purpose of the computation and  
8 levy of taxes.

9 (c) Beginning with the first payment of taxes which are levied  
10 following the date of the establishment of the bioscience development  
11 district real property taxes received by the county treasurer resulting from  
12 taxes which are levied subject to the provisions of this act by and for the  
13 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,  
14 and amendments thereto, on property located within such bioscience  
15 development district constituting a separate taxing unit under the  
16 provisions of this section, shall be divided as follows:

17 (1) From the taxes levied each year subject to the provisions of this  
18 act by or for each of the taxing subdivisions upon property located within a  
19 bioscience development district constituting a separate taxing unit under  
20 the provisions of this act, the county treasurer first shall allocate and pay to  
21 each such taxing subdivision all of the real property taxes collected which  
22 are produced from the base year assessed valuation.

23 (2) Any real property taxes, except for property taxes levied for  
24 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and  
25 amendments thereto, produced from that portion of the current assessed  
26 valuation of real property within the bioscience development district  
27 constituting a separate taxing unit under the provisions of this section in  
28 excess of the base year assessed valuation shall be allocated and paid by  
29 the county treasurer to the bioscience development bond fund to pay the  
30 bioscience development project costs including the payment of principal  
31 and interest on any special obligation bonds to finance, in whole or in part,  
32 such bioscience development projects.

33 (d) The authority may pledge the bioscience development bond fund  
34 or other available revenue to the repayment of such special obligation  
35 bonds prior to, simultaneously with, or subsequent to the issuance of such  
36 special obligation bonds.

37 (e) Any bonds issued under the provisions of this act and the interest  
38 paid thereon, unless specifically declared to be taxable in the authorizing  
39 resolution of the Kansas development finance authority, shall be exempt  
40 from all state, county and municipal taxes, and the exemption shall include  
41 income, estate and property taxes.

42 Sec. 96. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as  
43 follows: 75-2319. (a) There is hereby established in the state treasury the

1 school district capital improvements fund. The fund shall consist of all  
2 amounts transferred thereto under the provisions of subsection (c).

3 (b) *Subject to the provisions of subsection (e)*, in each school year,  
4 each school district which is obligated to make payments from its capital  
5 improvements fund shall ~~be entitled to~~ receive payment from the school  
6 district capital improvements fund in an amount determined by the state  
7 board of education as ~~provided in this subsection~~.

8 ~~(1) For general obligation bonds approved for issuance at an election~~  
9 ~~held prior to July 1, 2015, the state board of education shall as follows:~~

10 (1) (A) Determine the amount of the assessed valuation per pupil  
11 ~~(AVPP)~~ student of each school district in the state and round such amount  
12 to the nearest \$1,000. The rounded amount is the ~~AVPP assessed valuation~~  
13 *per student* of a school district for the purposes of this subsection ~~(b)(1)~~;

14 (B) determine the median ~~AVPP assessed valuation per student~~ of all  
15 school districts;

16 (C) prepare a schedule of dollar amounts using the amount of the  
17 median ~~AVPP assessed valuation per student~~ of all school districts as the  
18 point of beginning. The schedule of dollar amounts shall range upward in  
19 equal \$1,000 intervals from the point of beginning to and including an  
20 amount that is equal to the amount of the ~~AVPP assessed valuation per~~  
21 *student* of the school district with the highest ~~AVPP assessed valuation per~~  
22 *student* of all school districts and shall range downward in equal \$1,000  
23 intervals from the point of beginning to and including an amount that is  
24 equal to the amount of the ~~AVPP assessed valuation per student~~ of the  
25 school district with the lowest ~~AVPP assessed valuation per student~~ of all  
26 school districts;

27 (D) determine a state aid percentage factor for each school district by  
28 assigning a state aid computation percentage to the amount of the median  
29 ~~AVPP assessed valuation per student~~ shown on the schedule, decreasing  
30 the state aid computation percentage assigned to the amount of the median  
31 ~~AVPP assessed valuation per student~~ by one percentage point for each  
32 \$1,000 interval above the amount of the median ~~AVPP assessed valuation~~  
33 *per student*, and increasing the state aid computation percentage assigned  
34 to the amount of the median ~~AVPP assessed valuation per student~~ by one  
35 percentage point for each \$1,000 interval below the amount of the median  
36 ~~AVPP assessed valuation per student~~. Except as provided by K.S.A. 2016  
37 Supp. 75-2319c, and amendments thereto, the state aid percentage factor  
38 of a school district is the percentage assigned to the schedule amount that  
39 is equal to the amount of the ~~AVPP assessed valuation per student~~ of the  
40 school district. The state aid percentage factor of a school district shall not  
41 exceed 100%. The state aid computation percentage is 25%;

42 (E) determine the amount of payments that a school district is  
43 obligated to make from its bond and interest fund ~~attributable to general~~



1 obligation bonds approved for issuance at an election held prior to July 1,  
2 2015; and

3 (F) multiply the amount determined under subsection (b)(1)(E) by the  
4 applicable state aid percentage factor.

5 ~~(2) For general obligation bonds approved for issuance at an election  
6 held on or after July 1, 2015, the state board of education shall:~~

7 ~~(A) Determine the amount of the AVPP of each school district in the  
8 state and round such amount to the nearest \$1,000. The rounded amount is  
9 the AVPP of a school district for the purposes of this subsection (b)(2);~~

10 ~~(B) prepare a schedule of dollar amounts using the amount of the  
11 AVPP of the school district with the lowest AVPP of all school districts as  
12 the point of beginning. The schedule of dollar amounts shall range upward  
13 in equal \$1,000 intervals from the point of beginning to and including an  
14 amount that is equal to the amount of the AVPP of the school district with  
15 the highest AVPP of all school districts;~~

16 ~~(C) determine a state aid percentage factor for each school district by  
17 assigning a state aid computation percentage to the amount of the lowest  
18 AVPP shown on the schedule and decreasing the state aid computation  
19 percentage assigned to the amount of the lowest AVPP by one percentage  
20 point for each \$1,000 interval above the amount of the lowest AVPP.  
21 Except as provided by K.S.A. 2016 Supp. 75-2319e, and amendments  
22 thereto, the state aid percentage factor of a school district is the percentage  
23 assigned to the schedule amount that is equal to the amount of the AVPP of  
24 the school district. The state aid computation percentage is 75%;~~

25 ~~(D) determine the amount of payments that a school district is  
26 obligated to make from its bond and interest fund attributable to general  
27 obligation bonds approved for issuance at an election held on or after July  
28 1, 2015; and~~

29 ~~(E) multiply the amount determined under subsection (b)(2)(D) by  
30 the applicable state aid percentage factor.~~

31 ~~(3) For general obligation bonds approved for issuance at an election  
32 held on or before June 30, 2016, the sum of the amount determined under  
33 subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)  
34 *Subject to the provisions of subsection (b)(2), the product* is the amount of  
35 payment the school district ~~is entitled to~~ *shall* receive from the school  
36 district capital improvements fund in the school year.~~

37 ~~(4)(2) (A) For general obligation bonds approved for issuance at an  
38 election held on or after July 1, 2016, the amount determined under  
39 subsection (b)(2)(E) is the amount of payment the school district shall  
40 receive from the school district capital improvements fund in the school  
41 year, except the total amount of payments school districts receive from the  
42 school district capital improvements fund in the school year for such bonds  
43 shall not exceed the six-year average amount of capital improvement state~~

1 aid as determined by the state board of education.~~(A)~~—The state board of  
 2 education shall determine the six-year average amount of capital  
 3 improvement state aid by calculating the average of the total amount of  
 4 moneys expended per year from the school district capital improvements  
 5 fund in the immediately preceding six fiscal years, not to include the  
 6 current fiscal year.

7 (B) (i) ~~Subject to clause (ii)~~ *In the event the total amount of payments*  
 8 *from the school district capital improvements fund for general obligation*  
 9 *bonds approved for issuance at an election held on or after July 1, 2016,*  
 10 *as determined under subsection (b)(1) exceeds the six-year average,* the  
 11 state board of education shall prioritize ~~the allocations~~ *disbursements* to  
 12 school districts from the school district capital improvements fund, *subject*  
 13 *to clause (ii)*, in accordance with the priorities set forth as follows in order  
 14 of highest priority to lowest priority:

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

19 (b) enrollment growth and imminent overcrowding as demonstrated  
 20 by successive increases in *the* enrollment of the school district in the  
 21 immediately preceding three school years;

22 (c) impact on the delivery of educational services as demonstrated by  
 23 restrictive inflexible design or limitations on installation of technology;  
 24 and

25 (d) energy usage and other operational inefficiencies as demonstrated  
 26 by a district-wide energy usage analysis, district-wide architectural  
 27 analysis or other similar evaluation.

28 (ii) In allocating capital improvement state aid, the state board shall  
 29 give higher priority to those school districts with a lower ~~AVPP~~ *assessed*  
 30 *valuation per student* compared to the other school districts that are to  
 31 receive capital improvement state aid under this section.

32 ~~(C) On and after July 1, 2016, The state board of education shall~~  
 33 ~~approve the amount of state aid payments a school district shall receive~~  
 34 ~~from the school district capital improvements fund pursuant to subsection~~  
 35 ~~(b)(5) prior to an election to approve the issuance of general obligation~~  
 36 ~~bonds.~~

37 ~~(5) The sum of the amounts determined under subsection (b)(3) and~~  
 38 ~~the amount determined or allocated to the district by the state board of~~  
 39 ~~education pursuant to subsection (b)(4), is the amount of payment the~~  
 40 ~~school district is entitled to receive from the school district capital~~  
 41 ~~improvements fund in the school year.~~

42 (c) The state board of education shall certify to the director of  
 43 accounts and reports ~~the entitlements of school districts~~ *total amount of*

1 *capital improvement state aid school districts are to receive as* determined  
 2 ~~under the provisions of subsection (b), and an amount equal thereto shall~~  
 3 be transferred by the director from the state general fund to the school  
 4 district capital improvements fund for distribution to school districts. All  
 5 transfers made in accordance with the provisions of this subsection shall  
 6 be considered to be demand transfers from the state general fund, except  
 7 that all such transfers during the fiscal years ending June 30, 2013, June  
 8 30, 2014, June 30, 2015, and June 30, 2016, shall be considered to be  
 9 revenue 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)~~.

33 Sec. 97. K.S.A. 2016 Supp. 79-201x is hereby amended to read as  
 34 follows: 79-201x. For taxable years ~~2015 and 2016~~ *2017 and 2018*, the  
 35 following described property, to the extent herein specified, shall be and is  
 36 hereby exempt from the property tax levied pursuant to the provisions of  
 37 ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto: Property  
 38 used for residential purposes to the extent of \$20,000 of its appraised  
 39 valuation.

40 Sec. 98. K.S.A. 2016 Supp. 79-213 is hereby amended to read as  
 41 follows: 79-213. (a) Any property owner requesting an exemption from the  
 42 payment of ad valorem property taxes assessed, or to be assessed, against  
 43 their property shall be required to file an initial request for exemption, on

1 forms approved by the state board of tax appeals and provided by the  
2 county appraiser.

3 (b) The initial exemption request shall identify the property for which  
4 the exemption is requested and state, in detail, the legal and factual basis  
5 for the exemption claimed.

6 (c) The request for exemption shall be filed with the county appraiser  
7 of the county where such property is principally located.

8 (d) After a review of the exemption request, and after a preliminary  
9 examination of the facts as alleged, the county appraiser shall recommend  
10 that the exemption request either be granted or denied, and, if necessary,  
11 that a hearing be held. If a denial is recommended, a statement of the  
12 controlling facts and law relied upon shall be included on the form.

13 (e) The county appraiser, after making such written recommendation,  
14 shall file the request for exemption and the recommendations of the county  
15 appraiser with the state board of tax appeals. With regard to a request for  
16 exemption from property tax pursuant to the provisions of K.S.A. 79-201g  
17 and 82a-409, and amendments thereto, not filed with the board of tax  
18 appeals by the county appraiser on or before the effective date of this act,  
19 if the county appraiser recommends the exemption request be granted, the  
20 exemption shall be provided in the amount recommended by the county  
21 appraiser and the county appraiser shall not file the request for exemption  
22 and recommendations of the county appraiser with the state board of tax  
23 appeals. The county clerk or county assessor shall annually make such  
24 adjustment in the taxes levied against the real property as the owner may  
25 be entitled to receive under the provisions of K.S.A. 79-201g, and  
26 amendments thereto, as recommended by the county appraiser, beginning  
27 with the first period, following the date of issue of the certificate of  
28 completion on which taxes are regularly levied, and during the years  
29 which the landowner is entitled to such adjustment.

30 (f) Upon receipt of the request for exemption, the board shall docket  
31 the same and notify the applicant and the county appraiser of such fact.

32 (g) After examination of the request for exemption and the county  
33 appraiser's recommendation related thereto, the board may fix a time and  
34 place for hearing, and shall notify the applicant and the county appraiser of  
35 the time and place so fixed. A request for exemption pursuant to: (1)  
36 Section 13 of article 11 of the constitution of the state of Kansas; or (2)  
37 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed  
38 or purchased, in whole or in part, with the proceeds of revenue bonds  
39 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and  
40 amendments thereto, prepared in accordance with instructions and  
41 assistance which shall be provided by the department of commerce, shall  
42 be deemed approved unless scheduled for hearing within 30 days after the  
43 date of receipt of all required information and data relating to the request

1 for exemption, and such hearing shall be conducted within 90 days after  
2 such date. Such time periods shall be determined without regard to any  
3 extension or continuance allowed to either party to such request. In any  
4 case where a party to such request for exemption requests a hearing  
5 thereon, the same shall be granted. Hearings shall be conducted in  
6 accordance with the provisions of the Kansas administrative procedure act.  
7 In all instances where the board sets a request for exemption for hearing,  
8 the county shall be represented by its county attorney or county counselor.

9 (h) Except as otherwise provided by subsection (g), in the event of a  
10 hearing, the same shall be originally set not later than 90 days after the  
11 filing of the request for exemption with the board.

12 (i) During the pendency of a request for exemption, no person, firm,  
13 unincorporated association, company or corporation charged with real  
14 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-  
15 2004a, and amendments thereto, on the tax books in the hands of the  
16 county treasurer shall be required to pay the tax from the date the request  
17 is filed with the county appraiser until the expiration of 30 days after the  
18 board issued its order thereon and the same becomes a final order. In the  
19 event that taxes have been assessed against the subject property, no interest  
20 shall accrue on any unpaid tax for the year or years in question nor shall  
21 the unpaid tax be considered delinquent from the date the request is filed  
22 with the county appraiser until the expiration of 30 days after the board  
23 issued its order thereon. In the event the board determines an application  
24 for exemption is without merit and filed in bad faith to delay the due date  
25 of the tax, the tax shall be considered delinquent as of the date the tax  
26 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and  
27 amendments thereto, and interest shall accrue as prescribed therein.

28 (j) In the event the board grants the initial request for exemption, the  
29 same shall be effective beginning with the date of first exempt use except  
30 that, with respect to property the construction of which commenced not to  
31 exceed 24 months prior to the date of first exempt use, the same shall be  
32 effective beginning with the date of commencement of construction.

33 (k) In conjunction with its authority to grant exemptions, the board  
34 shall have the authority to abate all unpaid taxes that have accrued from  
35 and since the effective date of the exemption. In the event that taxes have  
36 been paid during the period where the subject property has been  
37 determined to be exempt, the board shall have the authority to order a  
38 refund of taxes for the year immediately preceding the year in which the  
39 exemption application is filed in accordance with subsection (a).

40 (l) The provisions of this section shall not apply to: (1) Farm  
41 machinery and equipment exempted from ad valorem taxation by K.S.A.  
42 79-201j, and amendments thereto; (2) personal property exempted from ad  
43 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing

1 apparel, household goods and personal effects exempted from ad valorem  
2 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all  
3 property exempted from ad valorem taxation by K.S.A. 79-201d, and  
4 amendments thereto; (6) merchants' and manufacturers' inventories  
5 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments  
6 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,  
7 and amendments thereto; (8) property exempted from ad valorem taxation  
8 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all  
9 property previously acquired by the secretary of transportation or a  
10 predecessor in interest, which is used in the administration, construction,  
11 maintenance or operation of the state system of highways. The secretary of  
12 transportation shall at the time of acquisition of property notify the county  
13 appraiser in the county in which the property is located that the acquisition  
14 occurred and provide a legal description of the property acquired; (9)  
15 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,  
16 and amendments thereto, including all property previously acquired by the  
17 Kansas turnpike authority which is used in the administration,  
18 construction, maintenance or operation of the Kansas turnpike. The Kansas  
19 turnpike authority shall at the time of acquisition of property notify the  
20 county appraiser in the county in which the property is located that the  
21 acquisition occurred and provide a legal description of the property  
22 acquired; (10) aquaculture machinery and equipment exempted from ad  
23 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in  
24 this section, "aquaculture" has the same meaning ascribed thereto by  
25 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery  
26 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and  
27 amendments thereto; (12) property used exclusively by the state or any  
28 municipality or political subdivision of the state for right-of-way purposes.  
29 The state agency or the governing body of the municipality or political  
30 subdivision shall at the time of acquisition of property for right-of-way  
31 purposes notify the county appraiser in the county in which the property is  
32 located that the acquisition occurred and provide a legal description of the  
33 property acquired; (13) machinery, equipment, materials and supplies  
34 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments  
35 thereto; (14) vehicles owned by the state or by any political or taxing  
36 subdivision thereof and used exclusively for governmental purposes; (15)  
37 property used for residential purposes which is exempted pursuant to  
38 K.S.A. 79-201x, and amendments thereto, from the property tax levied  
39 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments  
40 thereto; (16) from and after July 1, 1998, vehicles which are owned by an  
41 organization having as one of its purposes the assistance by the provision  
42 of transit services to the elderly and to disabled persons and which are  
43 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)

1 from and after July 1, 1998, motor vehicles exempted from taxation by  
2 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and  
3 industrial machinery and equipment exempted from property or ad  
4 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;  
5 (19) telecommunications machinery and equipment and railroad  
6 machinery and equipment exempted from property or ad valorem taxation  
7 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property  
8 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-  
9 234, and amendments thereto.

10 (m) The provisions of this section shall apply to property exempt  
11 pursuant to the provisions of section 13 of article 11 of the constitution of  
12 the state of Kansas.

13 (n) The provisions of subsection (k) as amended by this act shall be  
14 applicable to all exemption applications filed in accordance with  
15 subsection (a) after December 31, 2001.

16 Sec. 99. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as  
17 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll  
18 of the county, the treasurer shall enter in a column opposite the description  
19 of each tract or parcel of land the amount of unpaid taxes and the date of  
20 unredeemed sales, if any, for previous years on such land. The treasurer  
21 shall cause a notice to be published in the official county paper once each  
22 week for three consecutive weeks, stating in the notice the amount of taxes  
23 charged for state, county, township, school, city or other purposes for that  
24 year, on each \$1,000 of valuation.

25 (b) Each year after receipt of the tax roll from the county clerk and  
26 before December 15, the treasurer shall mail to each taxpayer, as shown by  
27 the rolls, a tax statement which indicates the taxing unit, assessed value of  
28 real and personal property, the mill levy and tax due. In addition, with  
29 respect to land devoted to agricultural use, such statement shall indicate  
30 the acreage and description of each parcel of such land. The tax statement  
31 shall also indicate separately each parcel of real property which is  
32 separately classified for property tax purposes. The county appraiser shall  
33 provide the information necessary for the county treasurer to comply with  
34 the provisions of this section. The tax statement also may include the  
35 intangible tax due the county. All items may be on one statement or may  
36 be shown on separate statements and may be on a form prescribed by the  
37 county treasurer. The statement shall be mailed to the last known address  
38 of the taxpayer or to a designee authorized by the taxpayer to accept the  
39 tax statement, if the designee has an interest in receiving the statement.  
40 When any statement is returned to the county treasurer for failure to find  
41 the addressee, the treasurer shall make a diligent effort to find a  
42 forwarding address of the taxpayer and mail the statement to the new  
43 address. All tax statements mailed pursuant to this section shall be mailed

1 by first-class mail. The requirement for mailing a tax statement shall  
2 extend only to the initial statement required to be mailed in each year and  
3 to any follow-up required by this section.

4 (c) For tax year 1998, and all tax years thereafter, after receipt of the  
5 tax roll from the county clerk and before December 15, the treasurer shall  
6 mail to each taxpayer, as shown by the tax rolls, a tax information form  
7 which indicates the taxing unit, assessed value of real property for the  
8 current and next preceding taxable year, the mill levy for the current and  
9 next preceding taxable year and, in the case of unified school districts, the  
10 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and  
11 amendments thereto, shall be separately indicated, the tax due and an  
12 itemization of each taxing unit's mill levy for the current and next  
13 preceding taxable year and the percentage change in the amount of  
14 revenue produced therefrom, if any. In addition, with respect to land  
15 devoted to agricultural use, such form shall indicate the acreage and  
16 description of each parcel of such land. The tax information form shall  
17 also indicate separately each parcel of real property which is separately  
18 classified for property tax purposes. The county appraiser shall provide the  
19 information necessary for the county treasurer to comply with the  
20 provisions of this section. The tax information form may be separate from  
21 the tax statement or a part of the tax statement. The tax information form  
22 shall be in a format prescribed by the director of property valuation. The  
23 tax information form shall be mailed to the last known address of the  
24 taxpayer. When a tax information form is returned to the county treasurer  
25 for failure to find the addressee, the treasurer shall make a diligent effort to  
26 find a forwarding address of the taxpayer and mail the tax information  
27 form to the new address. All tax information forms mailed pursuant to this  
28 section shall be mailed by first class mail.

29 Sec. 100. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as  
30 follows: 79-2925b. (a) Without a majority vote so providing, the governing  
31 body of any municipality shall not approve any appropriation or budget, as  
32 the case requires, which may be funded by revenue produced from  
33 property taxes, and which provides for funding with such revenue in an  
34 amount exceeding that of the next preceding year, adjusted to reflect  
35 changes in the consumer price index for all urban consumers as published  
36 by the United States department of labor for the preceding calendar year. If  
37 the total tangible property valuation in any municipality increases from the  
38 next preceding year due to increases in the assessed valuation of existing  
39 tangible property and such increase exceeds changes in the consumer price  
40 index, the governing body shall lower the amount of ad valorem tax to be  
41 levied to the amount of ad valorem tax levied in the next preceding year,  
42 adjusted to reflect changes in the consumer price index. This subsection  
43 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-



1 6b04 and K.S.A. 2016 Supp. 72-6470 *section 14*, and amendments thereto,  
2 and any other ad valorem tax levy which was previously approved by the  
3 voters of such municipality. Notwithstanding the requirements of this  
4 subsection, nothing herein shall prohibit a municipality from increasing  
5 the amount of ad valorem tax to be levied if the municipality approves the  
6 proposed increase with a majority vote of the governing body by the  
7 adoption of a resolution and publishes its vote to approve the appropriation  
8 or budget including the increase as provided in subsection (c).

9 (b) Revenue that, in the current year, is produced and attributable to  
10 the taxation of:

- 11 (1) New improvements to real property;
- 12 (2) increased personal property valuation;
- 13 (3) property located within added jurisdictional territory; or
- 14 (4) property which has changed in use shall not be considered when  
15 determining whether revenue produced from property has increased from  
16 the next preceding year.

17 (c) In the event the governing body votes to approve any  
18 appropriation or budget, as the case requires, which may be funded by  
19 revenue produced from property taxes, and which provides for funding  
20 with such revenue in an amount exceeding that of the next preceding year  
21 as provided in subsection (a), notice of such vote shall be published in the  
22 official county newspaper of the county where such municipality is  
23 located.

24 (d) The provisions of this section shall be applicable to all fiscal and  
25 budget years commencing on and after the effective date of this act.

26 (e) The provisions of this section shall not apply to revenue received  
27 from property tax levied for the sole purpose of repayment of the principal  
28 of and interest upon bonded indebtedness, temporary notes and no-fund  
29 warrants.

30 (f) For purposes of this section:

31 (1) "Municipality" means any political subdivision of the state which  
32 levies an ad valorem tax on property and includes, but is not limited to,  
33 any township, municipal university, school district, community college,  
34 drainage district or other taxing district;

35 (2) "municipality" shall not include:

36 (A) Any such political subdivision or taxing district which receives  
37 \$1,000 or less in revenue from property taxes in the current year; or

38 (B) any city or county.

39 Sec. 101. If any fund or account name described by words and the  
40 numerical accounting code that follows such fund or account name do not  
41 match, it shall be conclusively presumed that the legislature intended that  
42 the fund or account name described by words is the correct fund or  
43 account name, and such fund or account name described by words shall

1 control over a contradictory or incorrect numerical accounting code.

2 Sec. 102. On and after July 1, 2018, K.S.A. 2016 Supp. 79-32,138 is  
3 hereby amended to read as follows: 79-32,138. (a) Kansas taxable income  
4 of a corporation taxable under this act shall be the corporation's federal  
5 taxable income for the taxable year with the modifications specified in this  
6 section.

7 (b) There shall be added to federal taxable income: (i) The same  
8 modifications as are set forth in ~~subsection (b)~~ of K.S.A. 79-32,117(b), and  
9 amendments thereto, with respect to resident individuals, except  
10 subsections (b)(xix), (b)(xx), (b)(xxi), (b)(xxii) and (b)(xxiii).

11 (ii) The amount of all depreciation deductions claimed for any  
12 property upon which the deduction allowed by K.S.A. 2016 Supp. 79-  
13 32,221, 79-32,227, 79-32,232, 79-32,237, 79-32,249, 79-32,250, 79-  
14 32,255 or 79-32,256, and amendments thereto, is claimed.

15 (iii) The amount of any charitable contribution deduction claimed for  
16 any contribution or gift to or for the use of any racially segregated  
17 educational institution.

18 (iv) For taxable years commencing December 31, 2013, that portion  
19 of the amount of any expenditure deduction claimed in determining federal  
20 adjusted gross income for expenses paid by a taxpayer for health care  
21 when such expenses were paid or incurred for abortion coverage, a health  
22 benefit plan, as defined in K.S.A. 2016 Supp. 65-6731, and amendments  
23 thereto, when such expenses were paid or incurred for abortion coverage  
24 or amounts contributed to health savings accounts for such taxpayer's  
25 employees for the purchase of an optional rider for coverage of abortion in  
26 accordance with K.S.A. 2016 Supp. 40-2,190, and amendments thereto.

27 ~~(v) The amount of any charitable contribution deduction claimed for  
28 any contribution or gift made to a scholarship-granting organization to the  
29 extent the same is claimed as the basis for the credit allowed pursuant to  
30 K.S.A. 2016 Supp. 72-99a07, and amendments thereto.~~

31 (c) There shall be subtracted from federal taxable income: (i) The  
32 same modifications as are set forth in ~~subsection (e)~~ of K.S.A. 79-  
33 32,117(c), and amendments thereto, with respect to resident individuals,  
34 except subsection (c)(xx).

35 (ii) The federal income tax liability for any taxable year commencing  
36 prior to December 31, 1971, for which a Kansas return was filed after  
37 reduction for all credits thereon, except credits for payments on estimates  
38 of federal income tax, credits for gasoline and lubricating oil tax, and for  
39 foreign tax credits if, on the Kansas income tax return for such prior year,  
40 the federal income tax deduction was computed on the basis of the federal  
41 income tax paid in such prior year, rather than as accrued. Notwithstanding  
42 the foregoing, the deduction for federal income tax liability for any year  
43 shall not exceed that portion of the total federal income tax liability for

1 such year which bears the same ratio to the total federal income tax  
2 liability for such year as the Kansas taxable income, as computed before  
3 any deductions for federal income taxes and after application of  
4 subsections (d) and (e) ~~of this section~~ as existing for such year, bears to the  
5 federal taxable income for the same year.

6 (iii) An amount for the amortization deduction allowed pursuant to  
7 K.S.A. 2016 Supp. 79-32,221, 79-32,227, 79-32,232, 79-32,237, 79-  
8 32,249, 79-32,250, 79-32,255 or 79-32,256, and amendments thereto.

9 (iv) For all taxable years commencing after December 31, 1987, the  
10 amount included in federal taxable income pursuant to the provisions of  
11 section 78 of the internal revenue code.

12 (v) For all taxable years commencing after December 31, 1987, 80%  
13 of dividends from corporations incorporated outside of the United States  
14 or the District of Columbia which are included in federal taxable income.

15 (d) If any corporation derives all of its income from sources within  
16 Kansas in any taxable year commencing after December 31, 1979, its  
17 Kansas taxable income shall be the sum resulting after application of  
18 subsections (a) through (c) hereof. Otherwise, such corporation's Kansas  
19 taxable income in any such taxable year, after excluding any refunds of  
20 federal income tax and before the deduction of federal income taxes  
21 provided by subsection (c)(ii) shall be allocated as provided in K.S.A. 79-  
22 3271 ~~to through~~ K.S.A. 79-3293, ~~inclusive~~, and amendments thereto, plus  
23 any refund of federal income tax as determined under ~~paragraph (iv) of~~  
24 ~~subsection (b) of~~ K.S.A. 79-32,117(b)(iv), and amendments thereto, and  
25 minus the deduction for federal income taxes as provided by subsection (c)  
26 (ii) shall be such corporation's Kansas taxable income.

27 (e) A corporation may make an election with respect to its first  
28 taxable year commencing after December 31, 1982, whereby no addition  
29 modifications as provided for in ~~subsection (b)(ii) of~~ K.S.A. 79-32,138(b)  
30 (ii), and amendments thereto, and subtraction modifications as provided  
31 for in ~~subsection (e)(iii) of~~ K.S.A. 79-32,138(c)(iii), and amendments  
32 thereto, as those subsections existed prior to their amendment by this act,  
33 shall be required to be made for such taxable year.

34 Sec. 103. K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-  
35 1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-  
36 1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-3715, 72-5333b, 72-6482,  
37 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-  
38 67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8237,  
39 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-  
40 8801, 72-8804, 72-8908, 72-9509, 72-9609, 74-4939a, 74-8925, 74-99b43,  
41 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b are hereby repealed.

42 Sec. 104. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a01, 72-  
43 99a02, 72-99a03, 72-99a04, 72-99a05, 72-99a06, 72-99a07 and 79-32,138

1 are hereby repealed.

2 Sec. 105. This act shall take effect and be in force from and after its

3 publication in the statute book.