

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 113** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 113, as follows:

On page 1, in line 35, by striking "\$11,368,175" and inserting "\$5,929,175"; following line 35 by inserting:

"Supplemental state aid (652-00-1000-0840).....\$541,000";

On page 2, in line 4, by striking "\$6,546,460" and inserting "\$8,039,460"; in line 9, by striking "\$76,276,834" and inserting "\$79,307,834"; in line 15, by striking "\$14,797,912" and inserting "\$14,712,912"; in line 18, by striking all after "2024"; by striking all in lines 19 through 35; in line 36, by striking all before the period;

On page 3, in line 8, by striking "\$32,018,273" and inserting "\$29,810,273"; in line 13, by striking "\$537,372,516" and inserting "\$531,880,516"; by striking all in lines 19 through 23; following line 23, by inserting:

"Special education services aid (652-00-1000-0700).....\$528,018,516

Provided, That any unencumbered balance in the special education services aid account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024: *Provided further*, That expenditures shall not be made from the special education services aid account for the provision of instruction for any homebound or hospitalized child unless the categorization of such child as exceptional is conjoined with the categorization of the child within one or more of the other categories of exceptionality: *And provided further*, That expenditures shall be made from this account for grants to school districts in amounts determined pursuant to and in

accordance with the provisions of K.S.A. 72-3425, and amendments thereto: *And provided further*, That expenditures shall be made from the amount remaining in this account, after deduction of the expenditures specified in the foregoing provisos, for payments to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-3422, and amendments thereto.";

Also on page 3, in line 41, after the semicolon by inserting "acquisition of naloxone hydrochloride products for use by approved professionals;"

On page 4, in line 22, by striking "\$101,388,069" and inserting "\$47,899,069"; in line 23, by striking "\$2,423,309" and inserting "\$577,309";

On page 8, in line 27, by striking "\$8,437,635" and inserting "\$9,437,635"; following line 34, by inserting:

"Provided, That any unencumbered balance in the pre-K pilot account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

Also on page 8, following line 35, by inserting:

"Provided, That any unencumbered balance in the early childhood infrastructure account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

Also on page 8, following line 36, by inserting:

"Provided, That any unencumbered balance in the imagination library account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

On page 10, following line 15, by inserting:

"(l) During the fiscal year ending June 30, 2024, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2024 as authorized by this or other appropriation act of the 2023 regular session of the legislature,

expenditures shall be made by the above agency from such moneys for fiscal year 2024 to survey school districts and submit to the senate committee on education and the house of representatives committees on education and K-12 education budget a list of all school districts that used curriculum and training materials that include the three cueing systems model of reading or visual memory program in the preceding school year.";

Also on page 10, in line 20, by striking "\$2,795,337,000" and inserting "\$2,825,725,000"; in line 24, by striking "\$602,200,000" and inserting "\$590,000,000"; in line 28, by striking "\$592,740,238" and inserting "\$535,518,818";

On page 11, by striking all in lines 9 through 43;

By striking all on pages 12 through 15;

On page 16, by striking all in lines 1 through 36; following line 36, by inserting:

"New Sec. 4. (a) Within 30 days after the board of education of a school district adopts a resolution to dispose of a school district building pursuant to K.S.A. 72-3216, and amendments thereto, such board of education shall submit written notice of its intention to dispose of such building to the legislature. Such notice shall be filed with the chief clerk of the house of representatives and the secretary of the senate and shall contain the following:

(1) A description of the school district's use of such building immediately prior to the decision to dispose of such building;

(2) the reason for such building's disuse and the decision to dispose of such building;

(3) the legal description of the real property to be disposed of; and

(4) a copy of the resolution adopted by the board of education.

(b) (1) If the notice required under subsection (a) is received by the legislature during a regular legislative session, then the legislature shall have 45 days to adopt a concurrent resolution in accordance with subsection (c) stating the legislature's intention for the state to

acquire such building.

(2) If the notice required under subsection (a) is received when the legislature is not in regular session, then the legislature shall have 45 days from the commencement of the next regular session to adopt a concurrent resolution in accordance with subsection (c) stating the legislature's intention for the state to acquire such building.

(3) If the legislature does not adopt a concurrent resolution in accordance with subsection (c) within the 45-day period, then the school district may proceed with the disposition of such school district building in accordance with state law.

(c) The legislature may adopt a concurrent resolution stating the legislature's intention that the state acquire the school district building. Such concurrent resolution shall include:

- (1) The name of the school district that owns such building;
- (2) the information contained in the written notice as described in subsection (a)(1) through (3); and
- (3) the state agency that intends to acquire such building and the intended use of such building upon acquisition.

(d) Upon adoption of a concurrent resolution in accordance with subsection (c), the state agency named in such resolution shall have 180 days to complete the acquisition of such school district building and take title to the real property. Upon request of the state agency acquiring the school district building, the legislative coordinating council may extend the 180-day period for a period of not more than 60 days. The board of education of the school district shall not sell, gift, lease or otherwise convey such building or any of the real property described in the written notice or take any action or refrain from taking any action that would diminish the value of such property during the 180-day period or any extension thereof. If the state agency does not take title to the property within the 180-day period or any extension thereof, then the

school district may proceed with disposition of such school district building in accordance with state law and any written agreements entered into between such state agency and the school district.

(e) For purposes of this section, the term "state agency" means any state agency, department, authority, institution, division, bureau or other state governmental entity.";

On page 17, in line 19, by striking all after "(A)"; by striking all in line 20; in line 21, by striking "(B)"; in line 24, after "affidavit" by inserting "or transcript"; in line 25, by striking "subparagraphs" and inserting "subparagraph"; in line 26, by striking all before the period; following line 39, by inserting:

"(e) This section shall take effect on and after July 1, 2023.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 17, in line 40, before "The" by inserting "(a)";

On page 18, following line 1, by inserting:

"(b) This section shall take effect on and after July 1, 2023.";

Also on page 18, by striking all in lines 2 through 26; following line 26, by inserting:

"New Sec. 7. (a) There is hereby established the special education and related services funding task force. The task force shall be composed of 11 members, as follows:

- (1) Two members appointed by the speaker of the house of representatives;
- (2) two members appointed by the president of the senate;
- (3) one member appointed by the minority leader of the house of representatives;
- (4) one member appointed by the minority leader of the senate;
- (5) one member appointed by the state board of education;
- (6) two members appointed by the state department of education who are professionals in the field of special education and related services;

(7) one member appointed by the state department of education who is a professional in early childhood developmental services and provides services for a tiny-K program; and

(8) one member who shall be a parent of a student who receives special education services. In calendar year 2023, and every second succeeding calendar year thereafter, such member shall be appointed by the speaker of the house of representatives. In calendar year 2024, and every second succeeding calendar year thereafter, such member shall be appointed by the president of the senate.

(b) Members shall be appointed to the task force on or before July 1, 2023. The speaker of the house of representatives shall designate one member appointed by the speaker of the house of representatives to call the first meeting of the task force. Any vacancy in the membership of the task force shall be filled by appointment in the same manner prescribed by this section for the original appointment.

(c) (1) If approved by the legislative coordinating council, members of the task force attending meetings authorized by the task force shall be paid amounts for expenses, mileage and subsistence as provided in K.S.A. 75-3223(e), and amendments thereto.

(2) The members of the task force shall select a chairperson and vice chairperson from the membership of the task force.

(3) The task force may meet at any time and at any place within the state on the call of the chairperson. A quorum of the task force shall be six members. All actions of the task force shall be by motion adopted by a majority of those voting members present when there is a quorum.

(4) In accordance with K.S.A. 46-1204, and amendments thereto, the legislative coordinating council may provide for such professional services as may be requested by the task force.

(5) The staff of the office of revisor of statutes, the legislative research department and the

division of legislative administrative services shall provide such assistance as may be requested by the task force. The state board of education shall provide consultants and assistance when requested by the task force. The state board of education and school districts shall provide any information or documentation requested by the task force.

(d) The special education and related services funding task force shall:

(1) Study and make recommendations for changes in the existing formula for funding of special education and related services;

(2) conduct hearings and receive and consider suggestions from teachers, parents, the department of education, the state board of education, other governmental officers and agencies and the general public concerning funding for special education and related services; and

(3) make and submit reports to the legislature on the work of the task force concerning recommendations of the task force. Such reports shall include recommendations for legislative changes and be submitted to the legislature on or before January 14 of each year.";

On page 19, in line 41, after "(2)" by inserting "Subject to capacity, school districts shall give priority to any nonresident student who is a military student as defined in K.S.A. 72-5139, and amendments thereto. Priority shall be given when the military student is first accepted and, if necessary, at any other time the school district considers transfer applications. Any such military student shall not be subject to the open seat lottery.

(3)";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 22, following line 19, by inserting:

"Sec. 11. K.S.A. 72-3216 is hereby amended to read as follows: 72-3216. (a) (1) Subject to ~~provision paragraph (2) of this subsection~~, every unified school district shall maintain, offer and teach kindergarten and grades one through 12 and shall offer and teach at least 30 units

of instruction for ~~pupils~~ students enrolled in grades nine through 12 in each high school operated by the board of education. The units of instruction, to qualify for the purpose of this section, shall have the prior approval of the state board of education.

(2) Any unified school district which has discontinued kindergarten, any grade or unit of instruction under authority of K.S.A. 72-13,101, and amendments thereto, and has entered into an agreement with another unified school district for the provision of kindergarten or any such grade or unit of instruction has complied with the kindergarten, grade and unit of instruction requirements of this section.

(b) The board of education shall adopt all necessary rules and regulations for the government and conduct of its schools, consistent with the laws of the state.

(c) The board of education may divide the district into subdistricts for purposes of attendance by pupils.

(d) The board of education shall have the title to and the care and keeping of all school buildings and other school property belonging to the district. The board may open any or all school buildings for community purposes and may adopt rules and regulations governing use of school buildings for those purposes. School buildings and other school properties no longer needed by the school district may be disposed of by the board upon the affirmative recorded vote of not less than a majority of the members of the board at a regular meeting. Subject to the provisions of section 4, and amendments thereto, the board may dispose of the property in such manner and upon such terms and conditions as the board deems to be in the best interest of the school district. Conveyances of school buildings and other school properties shall be executed by the president of the board and attested by the clerk.

(e) The board shall have the power to acquire personal and real property by purchase, gift or the exercise of the power of eminent domain in accordance with K.S.A. 72-1144, and

amendments thereto.

Sec. 12. On and after July 1, 2023, K.S.A. 2022 Supp. 72-4352 is hereby amended to read as follows: 72-4352. As used in the tax credit for low income students scholarship program act:

(a) "Contributions" means monetary gifts or donations and in-kind contributions, gifts or donations that have an established market value.

(b) "Department" means the Kansas department of revenue.

(c) "Educational scholarship" means an amount not to exceed \$8,000 per school year provided to an eligible student, or to a qualified school with respect to an eligible student, to cover all or a portion of the costs of education including tuition, fees and expenses of a qualified school and, if applicable, the costs of transportation to a qualified school if provided by such qualified school.

(d) "Eligible student" means a child who:

(1) Resides in Kansas; and

(2) (A) (i) ~~Is eligible for free or reduced-price meals under the national school lunch act~~Has an annual family income that is less than or equal to 250% of the federal poverty guidelines as determined annually in the federal register by the United States department of health and human services under 42 U.S.C. § 9902(2); and

(ii) (a) was enrolled in kindergarten or any of the grades one through eight in any public school in the previous school year in which an educational scholarship is first sought for the child; or

(b) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is seven years of age or under; or

(B) has received an educational scholarship under the program and has not graduated from high school or reached the age of 21 years.

(e) "Parent" includes a guardian, custodian or other person with authority to act on behalf of the child.

(f) "Program" means the tax credit for low income students scholarship program established in K.S.A. 72-4351 through 72-4357, and amendments thereto.

(g) "Public school" means any school operated by a unified school district under the laws of this state.

(h) "Qualified school" means any nonpublic school that:

(1) Provides education to elementary or secondary students;

(2) is accredited by the state board or a national or regional accrediting agency that is recognized by the state board for the purpose of satisfying the teaching performance assessment for professional licensure or is working in good faith toward such accreditation;

(3) has notified the state board of its intention to participate in the program; and

(4) complies with the requirements of the program.

(i) "Scholarship granting organization" means an organization that complies with the requirements of this program and provides educational scholarships to eligible students or to qualified schools in which parents have enrolled eligible students.

(j) "School district" or "district" means any unified school district organized and operating under the laws of this state.

(k) "School year" means the same as in K.S.A. 72-5132, and amendments thereto.

(l) "Secretary" means the secretary of revenue.

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

Sec. 13. On and after July 1, 2023, K.S.A. 72-4357 is hereby amended to read as

follows: 72-4357. (a) (1) There shall be allowed a credit against the corporate income tax liability imposed upon a taxpayer pursuant to the Kansas income tax act, the privilege tax liability imposed upon a taxpayer pursuant to the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and the premium tax liability imposed upon a taxpayer pursuant to the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, for tax years commencing after December 31, 2014, and ending before January 1, 2017, an amount equal to 70% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto.

(2) There shall be allowed a credit against the tax liability imposed upon a taxpayer pursuant to the Kansas income tax act, the privilege tax liability imposed upon a taxpayer pursuant to the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and the premium tax liability imposed upon a taxpayer pursuant to the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto;

(A) For tax years commencing after December 31, 2016, and ending before January 1, 2022, an amount equal to 70% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto; and

(B) for tax years commencing after December 31, 2022, an amount equal to 75% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto.

(3) In no event shall the total amount of contributions for any taxpayer allowed under this subsection exceed \$500,000 for any tax year.

(b) The credit shall be claimed and deducted from the taxpayer's tax liability during the tax year in which the contribution was made to any such scholarship granting organization.

(c) For each tax year, in no event shall the total amount of credits allowed under this section exceed \$10,000,000 for any one tax year. Except as otherwise provided, the allocation of such tax credits for each scholarship granting organization shall be determined by the scholarship granting organization in consultation with the secretary, and such determination shall be completed prior to the issuance of any tax credits pursuant to this section.

(d) If the amount of any such tax credit claimed by a taxpayer exceeds the taxpayer's income, privilege or premium tax liability, such excess amount may be carried over for deduction from the taxpayer's income, privilege or premium tax liability in the next succeeding year or years until the total amount of the credit has been deducted from tax liability.

(e) The secretary shall adopt rules and regulations regarding filing of documents that support the amount of credit claimed pursuant to this section.";

On page 24, in line 7, after "(B)" by inserting "except as provided in paragraph (4),"; in line 19, after the semicolon, by inserting "or"; in line 20, by striking all after "(C)"; by striking all in lines 21 through 35; in line 36, by striking "(D)";

On page 25, in line 1, by striking the comma and inserting "or"; also in line 1, by striking "or (C)"; following line 27, by inserting:

"(4) If a school district closed any school building pursuant to K.S.A. 72-1431, and amendments thereto, in the preceding school year, such school district shall determine enrollment pursuant to paragraph (1)(A) in the current school year.";

On page 31, following line 4, by inserting:

"Sec. 16. On and after July 1, 2023, K.S.A. 72-5149 is hereby amended to read as follows:

72-5149. (a) Except as provided in subsection (c), the low enrollment weighting of each school district shall be determined by the state board as follows:

(1) For school districts with an enrollment of fewer than 100 students, multiply the enrollment of the school district by 1.014331. The resulting product is the low enrollment weighting of the school district;

(2) for school districts with an enrollment of at least 100 students, but fewer than 300 students:

(A) Subtract 100 from the enrollment of the school district;

(B) multiply the difference obtained under subsection (a)(2)(A) by 9.655;

(C) subtract the product obtained under subsection (a)(2)(B) from 7,337;

(D) divide the difference obtained under subsection (a)(2)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(2)(D); and

(F) multiply the difference obtained under subsection (a)(2)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district;

(3) for school districts with an enrollment of at least 300 students, but fewer than 1,622 students:

(A) Subtract 300 from the enrollment of the school district;

(B) multiply the difference obtained under subsection (a)(3)(A) by 1.2375;

(C) subtract the product obtained under subsection (a)(3)(B) from 5,406;

(D) divide the difference obtained under subsection (a)(3)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(3)(D); and

(F) multiply the difference obtained under subsection (a)(3)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district.

(b) For school districts with an enrollment of at least 1,622 students, multiply the enrollment of the school district by 0.03504. The resulting product is the high enrollment weighting of the school district.

(c) Any school district that receives the low enrollment weighting and attaches territory of all or part of a disorganized school district or accepts students in the current school year who attended a school building that was closed by another school district pursuant to K.S.A. 72-1431, and amendments thereto, in the preceding school year shall maintain the low enrollment weighting factor such school district received in the school year immediately preceding such attachment or acceptance for the next three succeeding school years or may receive the low enrollment weighting factor determined pursuant to subsection (a), whichever is greater.

Sec. 17. On and after July 1, 2023, K.S.A. 2022 Supp. 72-5151 is hereby amended to read as follows: 72-5151. (a) The at-risk student weighting of each school district shall be determined by the state board as follows:

(1) Determine the number of at-risk students included in the enrollment of the school district; and

(2) multiply the number determined under subsection (a)(1) by 0.484. The resulting sum is the at-risk student weighting of the school district.

(b) Except as provided in subsection (b)(4), the high-density at-risk student weighting of each school district shall be determined by the state board as follows:

(1) (A) If the enrollment of the school district is at least 35% at-risk students, but less than 50% at-risk students:

(i) Subtract 35% from the percentage of at-risk students included in the enrollment of the school district;

(ii) multiply the difference determined under subsection (b)(1)(A)(i) by 0.7; and

(iii) multiply the product determined under subsection (b)(1)(A)(ii) by the number of at-risk students included in the enrollment of the school district; or

(B) if the enrollment of the school district is 50% or more at-risk students, multiply the number of at-risk students included in the enrollment of the school district by 0.105; or

(2) (A) if the enrollment of a school in the school district is at least 35% at-risk students, but less than 50% at-risk students:

(i) Subtract 35% from the percentage of at-risk students included in the enrollment of such school;

(ii) multiply the difference determined under subsection (b)(2)(A)(i) by 0.7; and

(iii) multiply the product determined under subsection (b)(2)(A)(ii) by the number of at-risk students included in the enrollment of such school; or

(B) if the enrollment of a school in the school district is 50% or more at-risk students, multiply the number of at-risk students included in the enrollment of such school by 0.105; and

(C) add the products determined under subsections (b)(2)(A)(iii) and (b)(2)(B) for each such school in the school district, respectively.

(3) The high-density at-risk student weighting of the school district shall be the greater of the product determined under subsection (b)(1) or the sum determined under subsection (b)(2) (C).

(4) School districts that qualify to receive the high-density at-risk student weighting pursuant to this section shall spend any money attributable to the school district's high-density at-risk student weighting on the at-risk best practices developed by the state board pursuant to K.S.A. 72-5153(d), and amendments thereto. If a school district that qualifies for the high-density at-risk student weighting does not spend such money on such best practices, the state board shall notify the school district that it shall repay such money to the school district's at-risk

education fund. On or before January 15 of each year, the state board shall notify the house and senate standing committees on education, or any successor committees, which school districts had to repay such money and the amount of money such school district repaid for the preceding school year. If a school district does not spend such money on such best practices for three consecutive years, the school district shall not qualify to receive the high-density at-risk student weighting in the succeeding school year.

(5) The provisions of this subsection shall expire on July 1, ~~2024~~ 2027.

(c) The purpose of the at-risk student weighting and the high-density at-risk student weighting is to provide students identified as eligible to receive at-risk programs and services with evidence-based educational services in addition to regular instructional services.

(d) Upon a school district's receipt of state foundation aid, that portion of such state foundation aid that is directly attributable to such school district's at-risk student weighting and high-density at-risk student weighting, if any, shall be transferred to the district's at-risk education fund established under K.S.A. 72-5153, and amendments thereto.";

On page 38, in line 23, after the comma by inserting "and 72-3216"; in line 25, after the first "K.S.A." by inserting "72-4357, 72-5149 and"; in line 26, after "Supp." by inserting "72-4352,"; also in line 26, by striking "and" and inserting a comma; also in line 26, after "72-5142" by inserting "and 72-5151";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, by striking all after the semicolon; by striking all in lines 4 through 6; in line 7, by striking all before the semicolon and inserting "requiring school districts to submit a notice of intent to dispose of a school district building to the legislature; establishing a state option to acquire such school district buildings"; in line 11, by striking all after the semicolon; in line 12 by striking all before "authorizing"; in line 15, after the semicolon by

inserting "requiring school districts to give priority to nonresident military students under the school district's open seat lottery process;"; in line 19, after the semicolon by inserting "providing for additional student eligibility and increasing the tax credit for contributions made pursuant to the tax credit for low income students scholarship program; establishing the special education and related services funding task force; extending the high-density at-risk student weighting sunset date;"; in line 20, after "current-year" by inserting "or preceding year"; in line 21, after the semicolon by inserting "continuing a district's low enrollment weighting factor if the district accepts students from another school district under certain circumstances;"; in line 26, after the first comma by inserting "72-3216, 72-4357, 72-5149"; also in line 26, after the second comma by inserting "72-4352, "; in line 27, after "72-5142" by inserting, ", 72-5151";

And your committee on conference recommends the adoption of this report.

Conferees on part of House

Conferees on part of Senate