

SENATE BILL No. 462

By Committee on Ways and Means

4-26

1 AN ACT concerning education; relating to the Kansas school equity and
2 enhancement act; BASE aid amounts; school district local option
3 budgets; amending K.S.A. 2017 Supp. 72-5132, as amended by section
4 2 of 2018 Substitute for Senate Bill No. 423, and 72-5143, as amended
5 by section 4 of 2018 Substitute for Senate Bill No. 423, and repealing
6 the existing sections.

7

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

9 New Section 1. (a) (1) Subject to the provisions of subsection (e), the
10 provisions of this subsection shall apply in any school year in which the
11 amount of BASE aid is \$4,490 or less.

12 (2) The board of education of a school district may adopt a local
13 option budget that does not exceed the local option budget calculated as if
14 the BASE aid was \$4,490, or that does not exceed the local option budget
15 as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and amendments
16 thereto, whichever is greater.

17 (b) The board of education of a school district may adopt a local
18 option budget that does not exceed the local option budget calculated as if
19 the school district received state aid for special education and related
20 services equal to the amount of state aid for special education and related
21 services received in school year 2008-2009, or that does not exceed the
22 local option budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143,
23 and amendments thereto, whichever is greater.

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

26 (d) To the extent that the provisions of K.S.A. 2017 Supp. 72-5143,
27 and amendments thereto, conflict with this section, this section shall
28 control.

29 (e) For school year 2019-2020, and each school year thereafter, the
30 specified dollar amount used in subsection (a) for purposes of determining
31 the local option budget of a school district shall be the specified dollar
32 amount used for the immediately preceding school year plus an amount
33 equal to the average percentage increase in the consumer price index for
34 all urban consumers in the midwest region as published by the bureau of
35 labor statistics of the United States department of labor during the three
36 immediately preceding school years.

1 Sec. 2. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018
2 Substitute for Senate Bill No. 423, is hereby amended to read as follows:
3 72-5132. As used in the Kansas school equity and enhancement act,
4 K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

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

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

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

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

26 (d) "At-risk student weighting" means an addend component assigned
27 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
28 5151(a), and amendments thereto, on the basis of costs attributable to the
29 maintenance of at-risk educational programs by such school districts.

30 (e) "Base aid for student excellence" or "BASE aid" means an amount
31 appropriated by the legislature in a fiscal year for the designated year. The
32 amount of BASE aid shall be as follows:

33 (1) For school year 2018-2019, ~~\$4,900~~ \$4,165;

34 (2) for school year 2019-2020, ~~\$5,061~~ \$4,302;

35 (3) for school year 2020-2021, ~~\$5,222~~ \$4,439;

36 (4) for school year 2021-2022, ~~\$5,384~~ \$4,576;

37 (5) for school year 2022-2023, ~~\$5,545~~ \$4,713; and

38 (6) for school year 2023-2024, and each school year thereafter, the
39 BASE aid shall be the BASE aid amount for the immediately preceding
40 school year plus an amount equal to the average percentage increase in the
41 consumer price index for all urban consumers in the midwest region as
42 published by the bureau of labor statistics of the United States department
43 of labor during the three immediately preceding school years rounded to

1 the nearest whole dollar amount.

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

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

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

9 (i) "Categorical fund" means and includes the following funds of a
10 school district: Adult education fund; adult supplementary education fund;
11 at-risk education fund; bilingual education fund; career and postsecondary
12 education fund; driver training fund; educational excellence grant program
13 fund; extraordinary school program fund; food service fund; parent
14 education program fund; preschool-aged at-risk education fund;
15 professional development fund; special education fund; and summer
16 program fund.

17 (j) "Cost-of-living weighting" means an addend component assigned
18 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
19 5159, and amendments thereto, on the basis of costs attributable to the cost
20 of living in such school districts.

21 (k) "Current school year" means the school year during which state
22 foundation aid is determined by the state board under K.S.A. 2017 Supp.
23 72-5134, and amendments thereto.

24 (l) "Enrollment" means:

25 (1) The number of students regularly enrolled in kindergarten and
26 grades one through 12 in the school district on September 20 of the
27 preceding school year plus the number of preschool-aged at-risk students
28 regularly enrolled in the school district on September 20 of the current
29 school year, except a student who is a foreign exchange student shall not
30 be counted unless such student is regularly enrolled in the school district
31 on September 20 and attending kindergarten or any of the grades one
32 through 12 maintained by the school district for at least one semester or
33 two quarters, or the equivalent thereof.

34 (2) If the enrollment in a school district in the preceding school year
35 has decreased from enrollment in the second preceding school year, the
36 enrollment of the school district in the current school year means the sum
37 of:

38 (A) The enrollment in the second preceding school year, excluding
39 students under paragraph (2)(B), minus enrollment in the preceding school
40 year of preschool-aged at-risk students, if any, plus enrollment in the
41 current school year of preschool-aged at-risk students, if any; and

42 (B) the adjusted enrollment in the second preceding school year of
43 any students participating in the tax credit for low income students

1 scholarship program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and
2 amendments thereto, in the preceding school year, if any, plus the adjusted
3 enrollment in the preceding school year of preschool-aged at-risk students
4 who are participating in the tax credit for low income students scholarship
5 program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and amendments
6 thereto, in the current school year, if any.

7 (3) For any school district that has a military student, as that term is
8 defined in K.S.A. 2017 Supp. 72-5139, and amendments thereto, enrolled
9 in such district, and that received federal impact aid for the preceding
10 school year, if the enrollment in such school district in the preceding
11 school year has decreased from enrollment in the second preceding school
12 year, the enrollment of the school district in the current school year means
13 whichever is the greater of:

14 (A) The enrollment determined under paragraph (2); or

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

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

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

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

26 (4) The enrollment determined under paragraph (1), (2) or (3), except
27 if the school district begins to offer kindergarten on a full-time basis in
28 such school year, students regularly enrolled in kindergarten in the school
29 district in the preceding school year shall be counted as one student
30 regardless of actual attendance during such preceding school year.

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

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

43 (o) "General fund" means the fund of a school district from which

1 operating expenses are paid and in which is deposited all amounts of state
2 foundation aid provided under this act, payments under K.S.A. 2017 Supp.
3 72-528, and amendments thereto, payments of federal funds made
4 available under the provisions of title I of public law 874, except amounts
5 received for assistance in cases of major disaster and amounts received
6 under the low-rent housing program and such other moneys as are
7 provided by law.

8 (p) "General fund budget" means the amount budgeted for operating
9 expenses in the general fund of a school district.

10 (q) "High-density at-risk student weighting" means an addend
11 component assigned to the enrollment of school districts pursuant to
12 K.S.A. 2017 Supp. 72-5151(b), and amendments thereto, on the basis of
13 costs attributable to the maintenance of at-risk educational programs by
14 such school districts.

15 (r) "High enrollment weighting" means an addend component
16 assigned to the enrollment of school districts pursuant to K.S.A. 2017
17 Supp. 72-5149(b), and amendments thereto, on the basis of costs
18 attributable to maintenance of educational programs by such school
19 districts.

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

22 (t) "Local foundation aid" means the sum of the following amounts:

23 ~~(1) The amount of the proceeds from the tax levied under the~~
24 ~~authority of K.S.A. 2017 Supp. 72-5147, and amendments thereto, that is~~
25 ~~levied to finance that portion of the school district's local option budget~~
26 ~~that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and~~
27 ~~amendments thereto, and not financed from any other source provided by~~
28 ~~law;~~

29 ~~(2) an amount equal to that portion of the school district's~~
30 ~~supplemental state aid determined pursuant to K.S.A. 2017 Supp. 72-5145,~~
31 ~~and amendments thereto, to equalize that portion of the school district's~~
32 ~~local option budget that is required pursuant to K.S.A. 2017 Supp. 72-~~
33 ~~5143(a), and amendments thereto, and not financed from any other source~~
34 ~~provided by law;~~

35 ~~(3) An amount equal to any unexpended and unencumbered balance~~
36 ~~remaining in the general fund of the school district, except moneys~~
37 ~~received by the school district and authorized to be expended for the~~
38 ~~purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments~~
39 ~~thereto;~~

40 ~~(4)~~(2) an amount equal to any remaining proceeds from taxes levied
41 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
42 prior to their repeal;

43 ~~(5)~~(3) an amount equal to the amount deposited in the general fund in

1 the current school year from moneys received in such school year by the
2 school district under the provisions of K.S.A. 2017 Supp. 72-3123(a), and
3 amendments thereto;

4 ~~(6)~~(4) an amount equal to the amount deposited in the general fund in
5 the current school year from moneys received in such school year by the
6 school district pursuant to contracts made and entered into under authority
7 of K.S.A. 2017 Supp. 72-3125, and amendments thereto;

8 ~~(7)~~(5) an amount equal to the amount credited to the general fund in
9 the current school year from moneys distributed in such school year to the
10 school district under the provisions of articles 17 and 34 of chapter 12 of
11 the Kansas Statutes Annotated, and amendments thereto, and under the
12 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
13 Annotated, and amendments thereto;

14 ~~(8)~~(6) an amount equal to the amount of payments received by the
15 school district under the provisions of K.S.A. 2017 Supp. 72-3423, and
16 amendments thereto;

17 ~~(9)~~(7) an amount equal to the amount of any grant received by the
18 school district under the provisions of K.S.A. 2017 Supp. 72-3425, and
19 amendments thereto; and

20 ~~(10)~~(8) an amount equal to 70% of the federal impact aid of the
21 school district.

22 (u) "Low enrollment weighting" means an addend component
23 assigned to the enrollment of school districts pursuant to K.S.A. 2017
24 Supp. 72-5149(a), and amendments thereto, on the basis of costs
25 attributable to maintenance of educational programs by such school
26 districts.

27 (v) "Operating expenses" means the total expenditures and lawful
28 transfers from the general fund of a school district during a school year for
29 all purposes, except expenditures for the purposes specified in K.S.A.
30 2017 Supp. 72-5168, and amendments thereto.

31 (w) "Preceding school year" means the school year immediately
32 before the current school year.

33 (x) "Preschool-aged at-risk student" means an at-risk student who has
34 attained the age of three years, is under the age of eligibility for attendance
35 at kindergarten, and has been selected by the state board in accordance
36 with guidelines governing the selection of students for participation in
37 head start programs.

38 (y) "Preschool-aged exceptional children" means exceptional
39 children, except gifted children, who have attained the age of three years
40 but are under the age of eligibility for attendance at kindergarten. The
41 terms "exceptional children" and "gifted children" have the same meaning
42 as those terms are defined in K.S.A. 2017 Supp. 72-3404, and amendments
43 thereto.

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

3 (aa) "School district" means a school district organized under the
4 laws of this state that is maintaining public school for a school term in
5 accordance with the provisions of K.S.A. 2017 Supp. 72-3115, and
6 amendments thereto.

7 (bb) "School facilities weighting" means an ~~added~~ *addend* component
8 assigned to the enrollment of school districts pursuant to K.S.A. 2017
9 Supp. 72-5156, and amendments thereto, on the basis of costs attributable
10 to commencing operation of one or more new school facilities by such
11 school districts.

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

13 (dd) "September 20" has its usual meaning, except that in any year in
14 which September 20 is not a day on which school is maintained, it means
15 the first day after September 20 on which school is maintained.

16 (ee) "Special education and related services weighting" means an
17 addend component assigned to the enrollment of school districts pursuant
18 to K.S.A. 2017 Supp. 72-5157, and amendments thereto, on the basis of
19 costs attributable to the maintenance of special education and related
20 services by such school districts.

21 (ff) "State board" means the state board of education.

22 (gg) "State foundation aid" means the amount of aid distributed to a
23 school district as determined by the state board pursuant to K.S.A. 2017
24 Supp. 72-5134, and amendments thereto.

25 (hh) (1) "Student" means any person who is regularly enrolled in a
26 school district and attending kindergarten or any of the grades one through
27 12 maintained by the school district or who is regularly enrolled in a
28 school district and attending kindergarten or any of the grades one through
29 12 in another school district in accordance with an agreement entered into
30 under authority of K.S.A. 2017 Supp. 72-13,101, and amendments thereto,
31 or who is regularly enrolled in a school district and attending special
32 education services provided for preschool-aged exceptional children by the
33 school district.

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

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

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

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

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

43 (ii) a preschool-aged at-risk student enrolled in a school district and

1 receiving services under an approved at-risk student assistance plan
2 maintained by the school district.

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

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

15 (E) A student enrolled in and attending a technical college, a career
16 technical education program of a community college or other approved
17 career technical education program shall be counted as one student, if the
18 student's career technical education attendance together with the student's
19 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
20 the student shall be counted as that proportion of one student (to the
21 nearest $\frac{1}{10}$) that the total time of the student's career technical education
22 attendance and attendance in any of grades nine through 12 bears to full-
23 time attendance.

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

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

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

35 (a) For school year 2018-2019, one student;

36 (b) for school years 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and

37 (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a
38 student.

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

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

42 (b) a student who attended public school in Kansas during school
43 year 2016-2017 and who attended public school in Kansas during the

1 immediately preceding school year.

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

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

4 (B) except as provided in paragraph (2), an individual confined in and
5 receiving educational services provided for by a school district at a
6 juvenile detention facility; and

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

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

13 (ii) "Total foundation aid" means an amount equal to the product
14 obtained by multiplying the BASE aid by the adjusted enrollment of a
15 school district.

16 (jj) "Transportation weighting" means an addend component assigned
17 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
18 5148, and amendments thereto, on the basis of costs attributable to the
19 provision or furnishing of transportation.

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

22 Sec. 3. K.S.A. 2017 Supp. 72-5143, as amended by section 4 of 2018
23 Substitute for Senate Bill No. 423, is hereby amended to read as follows:
24 72-5143. (a) In each school year, the board of education of a school district
25 shall adopt, by resolution, a local option budget equal to 15% of the school
26 district's total foundation aid.

27 (b) If the board of education of a school district desires local option
28 budget authority above the amount required under subsection (a), the
29 board may adopt, by resolution, a local option budget in an amount that
30 does not exceed ~~27.5% of the school district's total foundation aid~~ *the*
31 *statewide average for the preceding school year as determined by the state*
32 *board pursuant to subsection (j)*. The adoption of a resolution pursuant to
33 this section shall require a majority vote of the members of the board.
34 Such resolution shall be effective upon adoption and shall require no other
35 procedure, authorization or approval.

36 (c) If the board of a school district desires local option budget
37 authority above the amount authorized under subsection (b), the board may
38 adopt, by resolution, such budget in an amount not to exceed the state
39 prescribed percentage. The adoption of a resolution pursuant to this
40 subsection shall require a majority vote of the members of the board. The
41 resolution shall be published at least once in a newspaper having general
42 circulation in the school district. The resolution shall be published in
43 substantial compliance with the following form:

1 Unified School District No. _____,
2 _____ County, Kansas.

3 RESOLUTION

4 Be It Resolved that:

5 The board of education of the above-named school district shall be
6 authorized to adopt a local option budget in each school year in an amount
7 not to exceed ____% of the amount of total foundation aid. The local
8 option budget authorized by this resolution may be adopted, unless a
9 petition in opposition to the same, signed by not less than 10% of the
10 qualified electors of the school district, is filed with the county election
11 officer of the home county of the school district within 40 days after
12 publication of this resolution. If a petition is filed, the county election
13 officer shall submit the question of whether adoption of the local option
14 budget shall be authorized to the electors of the school district at an
15 election called for the purpose or at the next general election, as is
16 specified by the board of education of the school district.

17 CERTIFICATE

18 This is to certify that the above resolution was duly adopted by the
19 board of education of unified school district No. _____, _____ County,
20 Kansas, on the _____ day of _____, _____.

21 _____
22 Clerk of the board of education.

23 All of the blanks in the resolution shall be filled appropriately. If a
24 sufficient petition is not filed, the board may adopt a local option budget.
25 If a sufficient petition is filed, the board may notify the county election
26 officer of the date of an election to be held to submit the question of
27 whether adoption of a local option budget shall be authorized. Any such
28 election shall be noticed, called and held in the manner provided by K.S.A.
29 10-120, and amendments thereto. If the board fails to notify the county
30 election officer within 30 days after a sufficient petition is filed, the
31 resolution shall be deemed abandoned and no like resolution shall be
32 adopted by the board within the nine months following publication of the
33 resolution.

34 (d) Unless specifically stated otherwise in the resolution, the authority
35 to adopt a local option budget shall be continuous and permanent. *The*
36 *board of any school district that is authorized to adopt a local option*
37 *budget may adopt a budget in an amount less than the amount authorized,*
38 *provided the board adopts a local option budget in an amount equal to or*
39 *greater than the amount required under subsection (a).*

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

1 authorization.

2 (f) (1) Except as provided in paragraph (2), the board of any school
3 district authorized to adopt a local option budget prior to July 1, 2017,
4 under a resolution that authorized the adoption of such budget in
5 accordance with the provisions of K.S.A. 2017 Supp. 72-6471, prior to
6 July 1, 2017, may continue to operate under such resolution for the period
7 of time specified in the resolution if such resolution adopted a local option
8 budget equal to or greater than the amount required in subsection (a), or
9 may abandon the resolution and operate under the provisions of this
10 section. Any such school district shall operate under the provisions of this
11 section after the period of time specified in any previously adopted
12 resolution has expired.

13 (2) Any resolution adopted prior to July 1, 2017, pursuant to K.S.A.
14 72-6433(e)(2), prior to its repeal, that authorized the adoption of a local
15 option budget and that was not subsequently submitted to and approved by
16 a majority of the qualified electors of the school district voting at an
17 election called and held thereon shall expire on June 30, 2018, and shall
18 have no force and effect during school year 2018-2019 or any subsequent
19 school year.

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

26 (h) For school year 2019-2020 and each school year thereafter, the
27 board of any school district that desires to increase its local option budget
28 authority for the immediately succeeding school year shall submit written
29 notice of such intent to the state board by April 1 of the current school
30 year. Such notice shall include the local option budget authority, expressed
31 as a percentage of the school district's total foundation aid, to be adopted
32 for the immediately succeeding school year. The board of a school district
33 shall not adopt a local option budget in excess of the authority stated in a
34 notice submitted pursuant to this subsection.

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

38 (2) (A) Of the moneys deposited in or otherwise credited to the
39 supplemental general fund of a school district pursuant to K.S.A. 2017
40 Supp. 72-5147, and amendments thereto, an amount that is proportional to
41 that amount of such school district's total foundation aid attributable to the
42 at-risk student weighting as compared to such district's total foundation aid
43 shall be transferred to the at-risk education fund of such school district and

1 shall be expended in accordance with K.S.A. 2017 Supp. 72-5153, and
2 amendments thereto.

3 (B) Of the moneys deposited in or otherwise credited to the
4 supplemental general fund of a school district pursuant to K.S.A. 2017
5 Supp. 72-5147, and amendments thereto, an amount that is proportional to
6 that amount of such school district's total foundation aid attributable to the
7 bilingual weighting as compared to such district's total foundation aid shall
8 be transferred to the bilingual education fund of such school district and
9 shall be expended in accordance with K.S.A. 2017 Supp. 72-3613, and
10 amendments thereto.

11 (3) Subject to the limitations imposed under paragraph (4), amounts
12 in the supplemental general fund may be expended for any purpose for
13 which expenditures from the general fund are authorized or may be
14 transferred to any categorical fund of the school district. Amounts in the
15 supplemental general fund attributable to any percentage over 25% of total
16 foundation aid determined for the current school year may be transferred
17 to the capital improvements fund of the school district and the capital
18 outlay fund of the school district if such transfers are specified in the
19 resolution authorizing the adoption of a local option budget in excess of
20 25%.

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

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

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

39 (j) *Each year, the state board shall determine the statewide average*
40 *percentage of local option budgets legally adopted by school districts for*
41 *the preceding school year.*

42 (k) The provisions of this section shall be subject to the provisions of
43 ~~K.S.A. 2017 Supp. 72-5144 section 1~~, and amendments thereto.

1 ~~(k)~~(l) As used in this section:

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

4 (2) "State prescribed percentage" means ~~30.5%~~ 33% of the total
5 foundation aid of the school district in the current school year.

6 (3) ~~For purposes of determining the school district's local option~~
7 ~~budget under subsections (a), (b) and (c),~~ "Total foundation aid" means the
8 same as such term is defined in K.S.A. 2017 Supp. 72-5132, and
9 amendments thereto, ~~except the state aid for special education and related~~
10 ~~services shall be divided by an amount equal to 85% of the BASE aid~~
11 ~~amount, and the resulting quotient shall be used in determining the school~~
12 ~~district's total foundation aid.~~

13 Sec. 4. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018
14 Substitute for Senate Bill No. 423, and 72-5143, as amended by section 4
15 of 2018 Substitute for Senate Bill No. 423, are hereby repealed.

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