AN ACT concerning school districts; relating to the use of moneys by school districts; relating to special education state aid; [relating to capital outlay:] amending K.S.A. 72-3607, 72-6420, 72-6423 and 72-8237, 72-8237, 72-8804 and 72-8808 and K.S.A. 2010 Supp. 72-965, 72-978, 72-3715, 72-6414a, 72-6414b, 72-6421, 72-6426, 72-8250, [72-8814,] 72-9509 and 72-9609 and repealing the existing sections.

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

New Section 1. (a) For school year 2011-2012, subject to any limitations as provided in this act, any school district may expend the unencumbered balance of the moneys held in the at-risk education fund, as provided in K.S.A. 76-6414a, and amendments thereto, bilingual education fund, as provided in K.S.A. 72-9509, and amendments thereto, contingency reserve fund, as provided in K.S.A. 72-6426, and amendments thereto, driver training fund, as provided in K.S.A. 72-6423, and amendments thereto, parent education program fund, as provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-risk education fund, as provided in K.S.A. 72-6414b, and amendments thereto, professional development fund, as provided in K.S.A. 72-9609, and amendments thereto, summer program fund, as provided in K.S.A. 72-8237, and amendments thereto, textbook and student materials revolving fund, as provided in K.S.A. 72-8250, and amendments thereto, special education fund, as provided in K.S.A. 72-965 and 72-6420, and amendments thereto, virtual school fund, as provided in K.S.A. 72-3715, and amendments thereto, and vocational education fund, as provided in K.S.A. 72-6421, and amendments thereto, to pay for general operating expenses of the district out of the general fund as approved by the board of education of such district.

The board of education of a school district shall consider the use of such funds in the following order of priority:

(1) At-risk education fund, bilingual education fund, contingency reserve fund, driver training fund, parent education program fund, preschool-aged at-risk education fund, professional development fund, summer program fund, virtual school fund and vocational education fund;

(2) textbook and student materials revolving fund; and

(3) special education fund.
The board of education of a school district shall not be limited to the order of priority as listed in this subsection if the board so chooses. The board of education of a school district shall not be required to use the total amount of the unencumbered balance of moneys in a fund before using the unencumbered balance of moneys in another fund.

(b) The amount of money expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section shall not exceed, in the aggregate, an amount determined by the state board of education. Such amount shall be determined by the state board as follows:

(1) Determine the adjusted enrollment of the district, excluding special education and related services weighting;
(2) subtract the amount of base state aid per pupil appropriated to the department of education for fiscal year 2012 from $4,012; and
(3) multiply the difference obtained under paragraph (2) by the number determined under paragraph (1). The product is the aggregate amount of moneys that may be expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section.

(c) It is the public policy goal of the state of Kansas that at least 65% of the aggregate of all unencumbered balances authorized to be expended for general operating expenses pursuant to subsection (a) shall be expended in the classroom or for instruction, as provided in K.S.A. 2010 Supp. 72-64c01, and amendments thereto.

Sec. 2. K.S.A. 2010 Supp. 72-965 is hereby amended to read as follows: 72-965. (a) The state board shall be responsible for the distribution and allocation of state and federal funds for special education. Such moneys shall be expended only in accordance with and for the purposes specified in federal or state law. Payments under this act may be made in installments and in advance or by way of reimbursement, with necessary adjustments for overpayments or underpayments. Federal funds for special education shall be deposited in the state treasury.

(b) The state board is hereby authorized to accept from an individual or individuals, the United States government or any of its agencies or any other public or private body, grants or contributions of money, funds or property which the state board may authorize to be used in accordance with appropriation acts, for or in aid of special education or related services or any of the purposes authorized by the federal law or this act.

(c) (1) Each board may use up to 15% of the amount it receives each year under the federal law to develop and implement coordinated, early intervening services for students in kindergarten through grade 12, with a particular emphasis on students in kindergarten through grade 3, who have not been identified as needing special education or related services.
but who appear to need additional academic and behavioral support to succeed in a general education environment.

(2) In implementing coordinated, early intervening services under this subsection, a board may carry out activities that include:

(A) Providing professional development for teachers and other school staff to enable such personnel to deliver scientifically based academic instruction and behavioral interventions, including scientifically based literacy instruction and, where appropriate, instruction on the use of adaptive and instructional software; and

(B) providing educational and behavioral evaluations, services and supports, including scientifically based literacy instruction.

(3) Each board that develops and maintains coordinated, early intervening services under this subsection shall annually report to the department:

(A) The number of students served under this subsection; and

(B) the number of students served under this subsection who subsequently receive special education and related services under this title during the two-year period preceding each report.

(d) Except for moneys received under K.S.A. 72-978, and amendments thereto, from cooperative agreements entered into under K.S.A. 72-968, and amendments thereto, any unencumbered balance of moneys attributable to appropriations by the legislature for special education or related services remaining in the special education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed 1/3 of the unencumbered balance of the school district's special education fund.

Sec. 3. K.S.A. 2010 Supp. 72-978 is hereby amended to read as follows: 72-978. (a) Each year, the state board of education shall determine the amount of state aid for the provision of special education and related services each school district shall receive for the ensuing school year. The amount of such state aid shall be computed by the state board as provided in this section. The state board shall:

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

(2) subtract from the amount determined in paragraph (1) the total amount attributable to assignment of transportation weighting, program weighting, special education weighting and at-risk pupil weighting to enrollment of all school districts;

(3) divide the remainder obtained in paragraph (2) by the total number of full-time equivalent pupils enrolled in all school districts on September 20;
(4) determine the total full-time equivalent enrollment of exceptional children receiving special education and related services provided by all school districts;

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

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

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

(8) add the amounts determined under paragraphs (6) and (7) to the amount of the product obtained under paragraph (5);

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

(10) subtract the amount of the sum obtained under paragraph (8) from the amount determined under paragraph (9); and

(11) multiply the remainder obtained under paragraph (10) by 92%.

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

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

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

(2) reimbursement in an amount equal to 80% of the actual travel expenses incurred for providing transportation for exceptional children to special education or related services; such reimbursement shall not be paid if such child has been counted in determining the transportation weighting of the district under the provisions of the school district finance and quality performance act;

(3) reimbursement in an amount equal to 80% of the actual expenses incurred for the maintenance of an exceptional child at some place other than the residence of such child for the purpose of providing special education or related services; such reimbursement shall not exceed $600 per exceptional child per school year; and

(4) subject to the provisions of subsection (f) and except for those school districts entitled to receive reimbursement under subsection (c) or (d), after subtracting the amounts of reimbursement under paragraphs (1),
(2) and (3) of this subsection (a) from the total amount appropriated for
special education and related services under this act, an amount which
bears the same proportion to the remaining amount appropriated as the
number of full-time equivalent special teachers who are qualified to
provide special education or related services to exceptional children and
are employed by the school district for approved special education or
related services bears to the total number of such qualified full-time
equivalent special teachers employed by all school districts for approved
special education or related services.

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

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

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

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

(f) (1) In school year 2011-2012 2012-2013 and in each school year
thereafter, the state board of education shall determine the minimum and
maximum amount of state aid that a school district may receive under
paragraph (4) of subsection (b) for the current school year as follows:

(A) Determine the total amount of moneys appropriated as state aid
for the provision of special education and related services to all school
districts for the current school year;
(B) subtract the amount of moneys paid to all school districts under
paragraphs (1), (2) and (3) of subsection (b) of this section, 72-983 and
K.S.A. 2010 Supp. 72-998, and amendments thereto, for the current school
year;
(C) divide the remainder obtained under (B) by the total full-time
enrollment of all school districts in the current school year;
(2) (A) multiply the quotient obtained under (1) (C) by the full-time
enrollment of the school district in the current school year;
(B) multiply the product obtained under (2) (A) by .75. The product is
the minimum amount of state aid the district may receive under paragraph
(4) of subsection (b) for the current school year;
(C) multiply the quotient obtained under (2) (A) by 1.50. The product is
the maximum amount of state aid the district may receive under
paragraph (4) of subsection (b) for the current school year.
(3) If the amount determined under paragraph (4) of subsection (b) is
less than the product obtained under (2)(B), the district shall receive state
aid in an amount equal to the product obtained under (2)(B), plus any
amount determined under paragraph (5) of this subsection.
(4) If the amount determined under paragraph (4) of subsection (b),
plus any amount determined under paragraph (5) of this subsection, is
greater than the product obtained under (2)(C), the district shall receive
state aid in an amount equal to the product obtained under (2)(C). The
balance of state aid remaining after determining the amount of state aid
payable to districts under this paragraph shall be reallocated to districts as
provided by paragraph (5) of this subsection.
(5) The balance of state aid remaining after determining the amount
of state aid payable to districts under paragraph (4) of this subsection shall
be reallocated to districts which have not received state aid in an amount
equal to the product obtained under (2)(B). Such state aid shall be
reallocated to such districts in the same manner as the original allocation.
If the balance is insufficient to pay each such district the minimum amount
specified in this subsection, the state board shall prorate the balance
among such districts.
(6) The provisions of this subsection (f) shall expire on June 30, 2014.

Sec. 4. K.S.A. 72-3607 is hereby amended to read as follows: 72-
3607. (a) There is hereby established in every school district which has
developed and is operating a parent education program for which grants
are awarded under this act a fund which shall be called the parent
education program fund, which fund shall consist of all moneys deposited
therein or transferred thereto according to law. Notwithstanding any other
provision of law, all moneys received by the school district from whatever
source for a parent education program operated under this act shall be
credited to the fund established by this section. Amounts deposited in the
parent education program fund shall be used exclusively for the payment
of expenses directly attributable to the program.

(b) Any unencumbered balance of moneys remaining in the parent
education program fund of a school district on June 30, 2011, may be
expended in school year 2011-2012 by the school district for general
operating expenses of the school district as approved by the board of
education.

Sec. 5. K.S.A. 2010 Supp. 72-3715 is hereby amended to read as
follows: 72-3715. (a) In order to be included in the full-time equivalent
enrollment of a virtual school, a pupil shall be in attendance at the virtual
school on (1) a single school day on or before September 19 of each
school year and (2) on a single school day on or after September 20, but
before October 4 of each school year.

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

(1) Determine the number of hours the pupil was in attendance on a
single school day on or before September 19 of each school year;
(2) determine the number of hours the pupil was in attendance on a
single school day on or after September 20, but before October 4 of each
school year;
(3) add the numbers obtained under paragraphs (1) and (2);
(4) divide the sum obtained under paragraph (3) by 12. The quotient
is the full-time equivalent enrollment of the pupil.

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

(d) (1) Subject to the availability of appropriations for virtual school
state aid and within the limits of any such appropriations, each school year
a school district which offers a virtual school shall be entitled to virtual
school state aid.

(2) The state board of education shall determine the amount of virtual
school state aid a school district is entitled to receive as follows:

(A) Multiply the full-time equivalent enrollment of the virtual school by an amount equal to 105% of the amount of base state aid per pupil;

(B) multiply the full-time equivalent enrollment of nonproficient at-risk pupils enrolled in an approved at-risk program offered by the virtual school, if any, by an amount equal to 25% of the amount of base state aid per pupil;

(C) add any amount determined under K.S.A. 2010 Supp. 72-3716, and amendments thereto; and

(D) add the amounts obtained under paragraphs (A) through (C). The sum is the amount of the virtual school state aid to which the school district is entitled.

(3) There is hereby established in every school district a fund which shall be called the virtual school fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Moneys received as virtual school state aid shall be deposited in the general fund of the school district and transferred to the virtual school fund of the district. The expenses of a district directly attributable to virtual schools offered by a school district shall be paid from the virtual school fund. The cost of an advance placement course provided to a pupil described in subsection (d)(2)(D) shall be paid by the virtual school.

Any balance remaining in the virtual school fund at the end of the budget year shall be carried forward into the virtual school fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. Any unencumbered balance of moneys remaining in the virtual school fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

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

(e) For the purposes of this section, a pupil enrolled in a virtual school who is not a resident of the state of Kansas shall not be counted in the full-time equivalent enrollment of the virtual school.

Sec. 6. K.S.A. 2010 Supp. 72-6414a is hereby amended to read as follows: 72-6414a. (a) There is hereby established in every district a fund which shall be called the at-risk education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing at-risk assistance or programs, including assistance or programs provided to
nonproficient pupils, shall be paid from the at-risk education fund.

(b) Any balance remaining in the at-risk education fund at the end of the budget year shall be carried forward into the at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the at-risk education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the at-risk education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(c) Each year the board of education of each school district shall prepare and submit to the state board a report on the at-risk program or assistance provided by the district. Such report shall include information specifying the number of at-risk pupils and nonproficient pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

(d) In order to achieve uniform reporting of the number of at-risk pupils and nonproficient pupils provided service or assistance by school districts in at-risk programs, districts shall report the number of at-risk pupils and nonproficient pupils served or assisted in the manner required by the state board.

Sec. 7. K.S.A. 2010 Supp. 72-6414b is hereby amended to read as follows: 72-6414b. (a) There is hereby established in every district a fund which shall be called the preschool-aged at-risk education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing preschool-aged at-risk assistance or programs shall be paid from the preschool-aged at-risk education fund.

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

(c) Any balance remaining in the preschool-aged at-risk education fund at the end of the budget year shall be carried forward into the preschool-aged at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the preschool—
aged at-risk education fund, and the amount expended therefrom shall be
included in the annual budget for the information of the residents of the
school district. Interest earned on the investment of moneys in any such
fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the preschool-aged
at-risk education fund of a school district on June 30, 2011, may be
expended in school year 2011-2012 by the school district for general
operating expenses of the school district as approved by the board of
education.

(d) Each year the board of education of each school district shall
prepare and submit to the state board a report on the preschool-aged at-risk
program or assistance provided by the district. Such report shall include
information specifying the number of pupils who were served or provided
assistance, the type of service provided, the research upon which the
district relied in determining that a need for service or assistance existed,
the results of providing such service or assistance and any other
information required by the state board.

Sec. 8. K.S.A. 72-6420 is hereby amended to read as follows: 72-
6420. (a) There is hereby established in every district a fund which shall be
called the special education fund, which fund shall consist of all moneys
deposited therein or transferred thereto according to law. Notwithstanding
any other provision of law, all moneys received by the district from
whatever source for special education shall be credited to the special
education fund established by this section, except that (1) amounts of
payments received by a district under K.S.A. 72-979, and amendments
thereto, and amounts of grants, if any, received by a district under K.S.A.
72-983, and amendments thereto, shall be deposited in the general fund of
the district and transferred to the special education fund, and (2) moneys
received by a district pursuant to lawful agreements made under K.S.A.
72-968, and amendments thereto, shall be credited to the special fund
established under the agreements.

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

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

(d) Except for moneys received under K.S.A. 72-978, and
amendments thereto, from cooperative agreements entered into under
K.S.A. 72-968, and amendments thereto, any unencumbered balance of
moneys attributable to appropriations by the legislature for special
education or related services remaining in the special education fund of a
school district on June 30, 2011, may be expended in school year 2011-
2012 by the school district for general operating expenses of the school
district as approved by the board of education in an amount not to exceed
\( \frac{1}{3} \) of the unencumbered balance of the school district's special education
fund.

Sec. 9. K.S.A. 2010 Supp. 72-6421 is hereby amended to read as
follows: 72-6421. (a) There is hereby established in every district a fund
which shall be called the vocational education fund. All moneys received
by a district for any course or program authorized and approved under the
provisions of article 44 of chapter 72 of Kansas Statutes Annotated, and
amendments thereto, except for courses and programs conducted in an area
vocational school, shall be credited to the vocational education fund. All
moneys received by the district from tuition, fees or charges or from any
other source for vocational education courses or programs, except for
courses and programs conducted in an area vocational school, shall be
credited to the vocational education fund. The expenses of a district
directly attributable to vocational education shall be paid from the
vocational education fund.

(b) Obligations of a district pursuant to lawful agreements made
under K.S.A. 72-4421, and amendments thereto, shall be paid from the
vocational education fund established by this section. If any such
agreement expresses an obligation of a district in terms of a mill levy, such
obligation shall be construed to mean an amount equal to that which would
be produced by the levy.

(c) Any balance remaining in the vocational education fund at the end
of the budget year shall be carried forward into the vocational education
fund for succeeding budget years. Such fund shall not be subject to the
provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
In preparing the budget of such school district, the amounts credited to and
the amount on hand in the vocational education fund, and the amount
expended therefrom shall be included in the annual budget for the
information of the residents of the school district. Interest earned on the
investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys attributable to appropriations
by the legislature in the vocational education fund of a school district on
June 30, 2011, may be expended in school year 2011-2012 by the school
district for general operating expenses of the school district as approved
by the board of education.

Sec. 10. K.S.A. 72-6423 is hereby amended to read as follows: 72-
6423. (a) There is hereby established in every district a fund which shall be
called the driver training fund which fund shall consist of all moneys
deposited therein or transferred thereto according to law. All moneys
received by the district from distributions made from the state safety fund
and the motorcycle safety fund and from tuition, fees or charges for driver
training courses shall be credited to the driver training fund. The expenses 
of a district directly attributable to driver training shall be paid from the 
driver training fund.

(b) The provisions of this section shall take effect and be in force 
from and after July 1, 1992. Any unencumbered balance of moneys 
remaining in the driver training fund of a school district on June 30, 2011, 
may be expended in school year 2011-2012 by the school district for 
general operating expenses of the school district as approved by the board 
of education.

Sec. 11. K.S.A. 2010 Supp. 72-6426 is hereby amended to read as 
follows: 72-6426. (a) There is hereby established in every district a fund 
which shall be called the contingency reserve fund. Such fund shall consist 
of all moneys deposited therein or transferred thereto according to law. 
The fund shall be maintained for payment of expenses of a district 
attributable to financial contingencies as determined by the board.

(b) (1) Except as otherwise provided in subsection (c), at no time in 
school year 2008-2009 through school year 2011-2012 shall the amount 
maintained in the contingency reserve fund exceed an amount equal to 
10% of the general fund budget of the district for the school year.

(2) Except as otherwise provided in subsection (c), at no time in 
school year 2012-2013 or any school year thereafter shall the amount 
maintained in the contingency reserve fund exceed an amount equal to 6% 
of the general fund budget of the district for the school year.

(c) (1) If the amount in the contingency reserve fund of a district is in 
excess of the amount authorized under subsection (b), and if such excess 
amount is the result of a reduction in the general fund budget of the district 
for the school year because of a decrease in enrollment, the district may 
maintain the excess amount in the fund until depletion of such excess 
amount by expenditure from the fund for the purposes thereof.

(2) The limitation on the amount which may be maintained in the 
contingency reserve fund imposed under subsection (b) shall not apply to 
any district whose state financial aid is computed under the provisions of 
K.S.A. 72-6445a, and amendments thereto. Any such district may maintain 
the excess amount in the fund until depletion of such excess amount by 
expenditure from the fund for the purposes thereof.

(d) Notwithstanding the provisions of subsection (c), any 
unencumbered balance of moneys remaining in the contingency reserve 
fund of a school district on June 30, 2011, may be expended in school year 
2011-2012 by the school district for general operating expenses of the 
school district as approved by the board of education.

Sec. 12. K.S.A. 72-8237 is hereby amended to read as follows: 72-
8237. (a) The board of education of any school district may: (1) Establish, 
operate and maintain a summer program for pupils; (2) enter into
cooperative or interlocal agreements with one or more other boards of
education for the establishment, operation and maintenance of a summer
program for pupils; and (3) prescribe and collect fees for providing a
summer program for pupils or provide such program without charge.

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

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

(d) There is hereby established in every district which establishes,
operates and maintains a summer program a fund which shall be called the
summer program fund, which fund shall consist of all moneys deposited
therein or transferred thereto according to law. All moneys received by a
district from fees collected under this section or from any other source for
summer programs shall be credited to the summer program fund. The
expenses of a district directly attributable to summer programs shall be
paid from the summer program fund.

Any unencumbered balance of moneys remaining in the summer
program fund of a school district on June 30, 2011, may be expended in
school year 2011-2012 by the school district for general operating
expenses of the school district as approved by the board of education.

(e) As used in this section, the term "summer program" means a
program which is established by the board of education of a school district
and operated during the summer months for the purpose of giving remedial
instruction to pupils or for the purpose of conducting special projects and
activities designed to enrich and enhance the educational experience of
pupils, or for both such purposes.

Sec. 13. K.S.A. 2010 Supp. 72-8250 is hereby amended to read as
follows: 72-8250. (a) There is hereby established in every school district a
textbook and student materials revolving fund. Moneys in such fund shall
be used to:

(1) Purchase any items designated in K.S.A. 72-5389, and
amendments thereto;

(2) pay the cost of materials or other items used in curricular,
extracurricular or other school-related activities; and

(3) purchase textbooks as authorized by K.S.A. 72-4141, and
amendments thereto.

(b) Any balance remaining in the textbook and student materials
revolving fund at the end of the budget year shall be carried forward into
that fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the textbook and student materials revolving fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the textbook and student materials revolving fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed \(\frac{1}{3}\) of the unencumbered balance of the school district’s textbook and student materials revolving fund.

[Sec. 14. K.S.A. 72-8804 is hereby amended to read as follows: 72-8804. Except as provided in subsection (b) of K.S.A. 72-8808, and amendments thereto, any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 72-8805 or 72-8810, and amendments thereto, may be used for the purpose of the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing and equipping of buildings necessary for school district purposes, including housing and boarding pupils enrolled in an area vocational school operated under the board of education, architectural expenses incidental thereto, the acquisition of building sites, the undertaking and maintenance of asbestos control projects, the acquisition of school buses, and the acquisition of other equipment. The board of education of any school district is hereby authorized to invest any portion of the capital outlay fund of the school district which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein or may invest the same in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest thereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the capital outlay fund.

Sec. 15. K.S.A. 72-8808 is hereby amended to read as follows: 72-8808. (a) Except as provided in subsection (b), whenever an initial resolution has been adopted under K.S.A. 72-8801, and amendments thereto, and such resolution specified a lesser mill rate than the statutorily prescribed mill rate or a lesser number of years than five, the board of education of the school district may adopt a second resolution under the same procedure as is provided in K.S.A. 72-8801, and amendments thereto, for the initial resolution and subject to the
same conditions and for the same purposes as provided in K.S.A. 72-8801, and amendments thereto, and shall be authorized to make such additional tax levy as is specified in such second resolution for the remainder of the five years succeeding the adoption of the initial resolution. Any such second resolution shall be limited in amount as specified in K.S.A. 72-8801, and amendments thereto, less such amount as has been authorized in the initial resolution, and not to exceed the statutorily prescribed mill rate in any one year. In the event that any such resolution is so adopted and the tax levy therein specified is approved under the conditions specified in K.S.A. 72-8801, and amendments thereto, the amount of bonds which may be issued under K.S.A. 72-8805, and amendments thereto, may be increased accordingly.

(b) Notwithstanding the provisions of K.S.A. 72-8801, and amendments thereto, during school year 2011-2012, any resolution adopted pursuant to subsection (a) may include, in addition to those purposes set forth in K.S.A. 72-8804, and amendments thereto, the payment of utility services and the acquisition of errors and omissions, property, fire, casualty and liability insurance as purposes for which the tax is being levied. Any such resolution shall be for a period not to exceed one year.]

Sec. 16. K.S.A. 72-8814 is hereby amended to read as follows: 72-8814. (a) There is hereby established in the state treasury the school district capital outlay state aid fund. Such fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which levies a tax pursuant to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled to receive payment from the school district capital outlay state aid fund in an amount determined by the state board of education as provided in this subsection. The state board of education shall:

(1) Determine the amount of the assessed valuation per pupil (AVPP) of each school district in the state and round such amount to the nearest $1,000. The rounded amount is the AVPP of a school district for the purposes of this section;

(2) determine the median AVPP of all school districts;

(3) prepare a schedule of dollar amounts using the amount of the median AVPP of all school districts as the point of beginning. The schedule of dollar amounts shall range upward in equal $1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the highest AVPP of all school districts and shall range downward in equal $1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district
with the lowest AVPP of all school districts;

(4) determine a state aid percentage factor for each school district
by assigning a state aid computation percentage to the amount of the
median AVPP shown on the schedule, decreasing the state aid
computation percentage assigned to the amount of the median AVPP
by one percentage point for each $1,000 interval above the amount of
the median AVPP, and increasing the state aid computation percentage
assigned to the amount of the median AVPP by one percentage point
for each $1,000 interval below the amount of the median AVPP. Except
as provided by K.S.A. 2010 Supp. 72-8814b, and amendments thereto,
the state aid percentage factor of a school district is the percentage
assigned to the schedule amount that is equal to the amount of the
AVPP of the school district, except that the state aid percentage factor
of a school district shall not exceed 100%. The state aid computation
percentage is 25%;

(5) determine the amount levied by each school district pursuant
to K.S.A. 72-8801 et seq., and amendments thereto, excluding any
amount levied pursuant to subsection (b) of K.S.A. 72-8808, and
amendments thereto;

(6) multiply the amount computed under (5), but not to exceed 8
mills, by the applicable state aid percentage factor. The product is the
amount of payment the school district is entitled to receive from the
school district capital outlay state aid fund in the school year.

(c) The state board shall certify to the director of accounts and
reports the entitlements of school districts determined under the
provisions of subsection (b), and an amount equal thereto shall be
transferred by the director from the state general fund to the school
district capital outlay state aid fund for distribution to school districts,
except that no transfers shall be made from the state general fund to
the school district capital outlay state aid fund during the fiscal years
ending June 30, 2011, or June 30, 2012. All transfers made in
accordance with the provisions of this subsection shall be considered
to be demand transfers from the state general fund.

(d) Payments from the school district capital outlay state aid fund
shall be distributed to school districts at times determined by the state
board of education. The state board of education shall certify to the
director of accounts and reports the amount due each school district
entitled to payment from the fund, and the director of accounts and
reports shall draw a warrant on the state treasurer payable to the
treasurer of the school district. Upon receipt of the warrant, the
treasurer of the school district shall credit the amount thereof to the
capital outlay fund of the school district to be used for the purposes of
such fund.
(e) Amounts transferred to the capital outlay fund of a school district as authorized by K.S.A. 72-6433, and amendments thereto, shall not be included in the computation when determining the amount of state aid to which a district is entitled to receive under this section.]

Sec. 14. K.S.A. 2010 Supp. 72-9509 is hereby amended to read as follows: 72-9509. (a) There is hereby established in every school district a fund which shall be called the bilingual education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to such bilingual education programs shall be paid from the bilingual education fund.

(b) Any balance remaining in the bilingual education fund at the end of the budget year shall be carried forward into the bilingual education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the bilingual education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the bilingual education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(c) Each year the board of education of each school district shall prepare and submit to the state board a report on the bilingual education program and assistance provided by the district. Such report shall include information specifying the number of pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

Sec. 15. K.S.A. 2010 Supp. 72-9609 is hereby amended to read as follows: 72-9609. There is hereby established in every school district a fund which shall be called the professional development fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district from whatever source for professional development programs established under this act shall be credited to the fund established by this section. The expenses of a school district directly attributable to professional development programs shall be paid from the professional development fund.

Any unencumbered balance of moneys remaining in the professional development fund of a school district on June 30, 2011, may be expended
in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

Sec. [16.] K.S.A. 72-3607, 72-6420, 72-6423 and 72-8237, 72-8237, 72-8804 and 72-8808 and K.S.A. 2010 Supp. 72-965, 72-978, 72-3715, 72-6414a, 72-6414b, 72-6421, 72-6426, 72-8250, 72-8814, 72-9509 and 72-9609 are hereby repealed.

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