

**HOUSE BILL No. 2596**

By Education Budget Committee

2-2

1 AN ACT concerning education; relating to the financing thereof;  
2 instruction and curriculum; creating the classroom-based funding act;  
3 amending K.S.A. 2015 Supp. 10-1116a, 12-1770a, 12-1775a, 72-  
4 1046b, 72-1398, 72-1414, 72-1923, 72-5333b, 72-64b01, 72-64c03, 72-  
5 64c05, 72-6624, 72-6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-  
6 8230, 72-8233, 72-8236, 72-8251, 72-8316, 72-8415b, 72-8804, 72-  
7 8908, 72-99a02, 74-4939a, 74-8925, 74-99b43, 79-201x, 79-2001 and  
8 79-2925b and repealing the existing sections; also repealing K.S.A.  
9 2015 Supp. 72-6463, 72-6464, 72-6465, 72-6466, 72-6467, 72-6468,  
10 72-6469, 72-6470, 72-6471, 72-6472, 72-6473, 72-6474, 72-6475, 72-  
11 6476, 72-6477, 72-6478, 72-6479, 72-6480 and 72-6481.  
12

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

14 New Section 1. (a) The provisions of sections 1 through 17, and  
15 amendments thereto, shall be known and may be cited as the classroom-  
16 based funding act.

17 (b) For school year 2017-2018, the provisions of this act shall only  
18 apply to school districts subject to the pilot program pursuant to section  
19 16, and amendments thereto.

20 (c) For school year 2018-2019 and each school year thereafter, the  
21 provisions of this act shall apply to all school districts.

22 (d) The provisions of this section shall be in effect on and after July  
23 1, 2017.

24 New Sec. 2. As used in the classroom-based funding act:

25 (a) "Act" means the classroom-based funding act, section 1 et seq.,  
26 and amendments thereto.

27 (b) "Average classroom cost of instruction" means the amount  
28 determined by the division of legislative post audit pursuant to section 3,  
29 and amendments thereto.

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

31 (d) (1) "Classroom" means a gathering place within a school where  
32 students receive instruction from a teacher and is used for such instruction  
33 not less than 80% of the school year.

34 (2) "Classroom" includes any mobile classroom.

35 (e) "Current school year" means the school year during which general  
36 state aid is determined by the state board under section 4, and amendments

1 thereto.

2 (f) (1) "Curriculum" means the lessons and academic content taught  
3 in a school or in a specific course or program.

4 (2) "Curriculum" includes specific learning standards, lessons,  
5 assignments and materials used to organize and teach a particular course.

6 (g) "Department" means the state department of education.

7 (h) (1) "Instruction" means the activities dealing directly with the  
8 interaction between teachers and students and may be provided in a school  
9 classroom, in another location such as a home or hospital, and in other  
10 learning situations such as those involving co-curricular activities.  
11 Instruction also may be provided through the internet, television, radio,  
12 computer, multimedia telephone, correspondence that is delivered inside or  
13 outside the classroom and other teacher-student settings or through other  
14 approved media.

15 (2) "Instruction" includes the activities of aides or classroom  
16 assistants of any type, including, but not limited to, clerks, graders and  
17 teaching machines which assist in the instructional process.

18 (3) "Instruction" does not include the normal activities of in-school  
19 resource officers, nurses or school counselors.

20 (i) "School district" means a unified school district organized and  
21 operated under the laws of this state.

22 (j) "School year" means the period of time beginning on July 1 in  
23 each calendar year and ending on June 30 in the succeeding calendar year.

24 (k) "State board" means the state board of education.

25 (l) "Student" means any person who is regularly enrolled in a school  
26 district and attending kindergarten or any of the grades one through 12  
27 maintained by the school district, or who is regularly enrolled in a school  
28 district and attending kindergarten or any of the grades one through 12 in  
29 another school district in accordance with an agreement entered into under  
30 authority of K.S.A. 72-8233, and amendments thereto, or who is regularly  
31 enrolled in a school district and attending special education services  
32 provided for preschool-aged exceptional children by the school district.

33 (m) "Subsequent school year" means the school year immediately  
34 following the current school year.

35 (n) (1) "Teacher" means any professional employee who is required  
36 to hold a certificate to teach in any school district.

37 (2) "Teacher" includes any person, employed by or under contract  
38 with a school district to provide special education or related services, who  
39 is qualified to: (A) Provide special education or related services to  
40 exceptional children as determined pursuant to standards established by  
41 the state board; or (B) assist in the provision of special education or related  
42 services to exceptional children as determined pursuant to standards  
43 established by the state board.

1 (o) The provisions of this section shall be in effect on and after July  
2 1, 2017.

3 New Sec. 3. (a) On or before January 15, 2017, and every 10 years  
4 thereafter, the legislative division of post audit shall conduct a classroom  
5 cost audit to determine the average classroom cost of instruction for each  
6 congressional district. Such audits shall focus on the actual cost of  
7 instruction in each classroom audited regardless of the type of classroom,  
8 curriculum, subject matter taught, grade level or class size. Such audits  
9 shall be conducted at the direction of the legislative post audit committee.

10 (b) Upon completion of the audit, the audit report shall be provided to  
11 the legislative post audit committee, the house committees on  
12 appropriations, education and education budget, the senate committees on  
13 ways and means and education, the state board and the department. The  
14 results of such audit report shall be used by the state board to determine  
15 the amount of funding each school district shall receive pursuant to section  
16 4, and amendments thereto.

17 New Sec. 4. (a) Except as provided in section 16, and amendments  
18 thereto, for each school year, the state board shall disburse general state  
19 aid to each school district in an amount equal to the quotient obtained by  
20 dividing the total classroom cost of the school district by 60%.

21 (b) Total classroom cost is an amount equal to the average classroom  
22 cost of instruction amount for the applicable congressional district as  
23 determined by the legislative division of post audit in its most recent  
24 classroom cost audit conducted pursuant to section 3, and amendments  
25 thereto, multiplied by the number of classrooms in the school district as  
26 determined under section 7, and amendments thereto.

27 (c) Beginning in school year 2019-2020 and every other school year  
28 thereafter, the average classroom cost of instruction amount shall be  
29 increased by an amount equal to the percentage increase in the consumer  
30 price index for all urban consumers as published by the bureau of labor  
31 statistics of the United States department of labor from the immediately  
32 preceding school year. No adjustment shall be made under this subsection  
33 in any school year that immediately follows a school year in which a  
34 classroom cost audit is conducted pursuant to section 3, and amendments  
35 thereto.

36 (d) A school district shall be considered part of the congressional  
37 district where the actual territory of the school district resides. If a school  
38 district has territory in more than one congressional district, then the  
39 school district shall be considered a part of the congressional district where  
40 the main administrative office of the school district is located.

41 (e) The general state aid for each school district shall be disbursed in  
42 accordance with appropriation acts. In the event the appropriation for  
43 general state aid exceeds the amount determined under subsection (a) for

1 any school year, the state board shall disburse such excess amount to each  
2 school district in proportion to such school district's number of classrooms.

3 (g) The provisions of this section shall be in effect on and after July  
4 1, 2017.

5 New Sec. 5. (a) The distribution of general state aid determined  
6 pursuant to section 4, and amendments thereto, shall be made in  
7 accordance with appropriation acts each year as provided in this section.

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

17 (2) in the month of June of each school year, subject to the provisions  
18 of subsection (d), payment shall be made of the full amount of the general  
19 state aid entitlement determined for the school year, less the sum of the  
20 monthly payments made in the months of July through May.

21 (c) The state board of education shall prescribe the dates upon which  
22 the distribution of payments of general state aid to school districts shall be  
23 due. Payments of general state aid shall be distributed to school districts  
24 once each month on the dates prescribed by the state board. The state  
25 board shall certify to the director of accounts and reports the amount due  
26 as general state aid to each school district in each of the months of July  
27 through June. Such certification, and the amount of general state aid  
28 payable from the state general fund, shall be approved by the director of  
29 the budget. The director of accounts and reports shall draw warrants on the  
30 state treasurer payable to the district treasurer of each district entitled to  
31 payment of general state aid, pursuant to vouchers approved by the state  
32 board. Upon receipt of such warrant, each district treasurer shall deposit  
33 the amount of general state aid in the general fund.

34 (d) If any amount of general state aid that is due to be paid during the  
35 month of June of a school year pursuant to the other provisions of this  
36 section is not paid on or before June 30 of such school year, then such  
37 payment shall be paid on or after the ensuing July 1, as soon as moneys are  
38 available therefor. Any payment of general state aid that is due to be paid  
39 during the month of June of a school year and that is paid to school  
40 districts on or after the ensuing July 1 shall be recorded and accounted for  
41 by school districts as a receipt for the school year ending on the preceding  
42 June 30.

43 (e) The provisions of this section shall be in effect on and after July 1,

1 2017.

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

17 (b) The provisions of this section shall be in effect on and after July  
18 1, 2017.

19 New Sec. 7. On or before October 10 of each school year, the clerk or  
20 superintendent of each school district shall certify under oath to the state  
21 board a report showing the total number of classrooms used for instruction  
22 during the current school year in each school building of the school  
23 district, plus any additional classrooms in any new building or addition to  
24 an existing building that will be operational and used for instruction in the  
25 subsequent school year, total enrollment of the school district by grades  
26 maintained in the schools of the school district and such other reports as  
27 the state board may require. Upon receipt of such report, the state board  
28 shall examine the report, and if the state board finds any errors in any such  
29 report, the state board shall consult with the school district officer  
30 furnishing the report and make such corrections in the report as are  
31 necessary. Such clerk or superintendent of the school district shall also  
32 certify to the state board, on or before August 25 of each year, a copy of  
33 the budget adopted by the school district.

34 New Sec. 8. (a) The state school district finance fund, established by  
35 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in  
36 existence and shall consist of:

37 (1) All moneys credited to such fund under K.S.A. 2015 Supp. 72-  
38 6463 through 72-6481, and amendments thereto; and

39 (2) all amounts transferred to such fund pursuant to the provisions of  
40 sections 1 through 15, and amendments thereto.

41 (b) The state school district finance fund shall be used for the purpose  
42 of school district finance and for no other governmental purpose. It is the  
43 intent of the legislature that the fund shall remain intact and inviolate for

1 such purpose, and moneys in the fund shall not be subject to the provisions  
2 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

3 (c) Amounts in the state school district finance fund shall be allocated  
4 and distributed to school districts as a portion of general state aid  
5 entitlements provided for in section 4, and amendments thereto.

6 (d) The provisions of this section shall be in effect on and after July  
7 1, 2017.

8 New Sec. 9. (a) Except for the bond and interest fund, the board of  
9 any school district may transfer moneys from the general fund to any other  
10 fund of the school district in any school year. Except for the bond and  
11 interest fund, special education fund and special retirement contributions  
12 fund, the board of any school district may transfer moneys from any fund  
13 of the school district to the general fund of the school district.

14 (b) The board of any school district may transfer moneys from any  
15 other fund to the special education fund or special retirement contributions  
16 fund of the school district, but no transfers shall be authorized from the  
17 bond and interest fund, special education fund or special retirement  
18 contributions fund. Moneys in the bond and interest fund, special  
19 education fund and special retirement contributions fund shall only be  
20 expended for such purposes as permitted by law.

21 (c) The aggregate amount of money transferred pursuant to this  
22 section from the capital outlay fund of a school district to the general fund  
23 of the school district, or to any other fund of the school district for any  
24 school year shall not exceed the aggregate amount of money held in the  
25 capital outlay fund that is not directly attributable to any tax levied under  
26 the authority of K.S.A. 72-8801, and amendments thereto.

27 (d) The provisions of this section shall be in effect on and after July  
28 1, 2017.

29 New Sec. 10. (a) The board of education of each school district shall  
30 levy an ad valorem tax upon the taxable tangible property of the district at  
31 a rate of 20 mills in school year 2017-2018 and school year 2018-2019 for  
32 the purpose of:

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

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

41 (b) Except for that portion of the proceeds used for the purpose  
42 specified in subsection (a)(2), the proceeds from the tax levied by a school  
43 district under the authority of this section shall be remitted to the state

1 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
2 amendments thereto. Upon receipt of each such remittance, the state  
3 treasurer shall deposit the entire amount in the state treasury and shall  
4 credit the same to the state school finance fund.

5 (c) All moneys remitted to the state treasurer pursuant to subsection  
6 (b) shall be used for paying a portion of the costs of operating and  
7 maintaining public schools in partial fulfillment of the constitutional  
8 obligation of the legislature to finance the educational interests of the state.

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

11 (e) The provisions of this section shall be in effect on and after July 1,  
12 2017.

13 New Sec. 11. (a) Except as provided in section 16, and amendments  
14 thereto, the board of any school district may adopt a local option budget.

15 (b) Except as provided by subsection (e), the adoption of a resolution  
16 pursuant to this subsection shall require a majority vote of the members of  
17 the board. Such resolution shall be effective upon adoption and shall  
18 require no other procedure, authorization or approval.

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

29 (d) The board of any school district may initiate procedures to renew  
30 the authority to adopt a local option budget at any time during a school  
31 year after the tax levied pursuant to section 12 or 13, and amendments  
32 thereto, is certified to the county clerk under any existing authorization.

33 (e) The board of any school district that has adopted a local option  
34 budget prior to July 1, 2016, under a resolution which authorized the  
35 adoption of such budget in accordance with the provisions of K.S.A. 72-  
36 6433 or K.S.A. 2015 Supp. 72-6471, prior to their repeal, may continue to  
37 operate under such resolution for the period of time specified in the  
38 resolution or may abandon the resolution and operate under the provisions  
39 of this section. Any such school district shall operate under the provisions  
40 of this section after the period of time specified in the resolution has  
41 expired.

42 (f) Any resolution adopted pursuant to this section may revoke or  
43 repeal any resolution previously adopted by the board. If the resolution

1 does not revoke or repeal previously adopted resolutions, all resolutions  
2 which are in effect shall expire on the same date. The maximum amount of  
3 the local option budget of a school district under all resolutions in effect  
4 shall not exceed the limitation set forth in subsection (a) in any school  
5 year.

6 (g) The provisions of this section shall be in effect on and after July  
7 1, 2017.

8 New Sec. 12. (a) The board of any school district that has adopted a  
9 local option budget may levy an ad valorem tax on the taxable tangible  
10 property of the school district for the purpose of financing that portion of  
11 the school district's local option budget which is to be expended for  
12 curriculum. The proceeds from the tax levied by a school district under  
13 authority of this section shall be deposited in the general fund of the school  
14 district.

15 (b) If the board of any school district levies an ad valorem tax on the  
16 taxable tangible property of the school district pursuant to this section,  
17 such board shall offer the course or courses of study for which the tax is  
18 being levied to every other school district in the state through an electronic  
19 network or site accessible via the internet, mobile application, computer,  
20 mobile device, tablet or any other electronic device. The school district  
21 offering such course or courses of study shall be responsible for the cost of  
22 providing such course or courses to any school district that accepts the  
23 offer to receive such course or courses.

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

26 (d) The provisions of this section shall be in effect on and after July  
27 1, 2017.

28 New Sec. 13. (a) The board of each school district that has adopted a  
29 local option budget may levy an ad valorem tax on the taxable tangible  
30 property of the school district for the purpose of:

31 (1) Financing that portion of the school district's local option budget  
32 which is not financed by section 12, and amendments thereto, or from any  
33 other source provided by law; and

34 (2) with respect to any redevelopment district established prior to  
35 January 1, 2016, pursuant to K.S.A. 12-1771, and amendments thereto,  
36 paying a portion of the principal and interest on bonds issued by cities  
37 under authority of K.S.A. 12-1774, and amendments thereto, for the  
38 financing of redevelopment projects upon property located within the  
39 school district.

40 (b) Except the proceeds of such tax levied for the purpose specified in  
41 subsection (a)(2), the proceeds from the tax levied by a school district  
42 under authority of this section shall be deposited in the general fund of the  
43 district.

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

3 (d) The provisions of this section shall be in effect on and after July  
4 1, 2017.

5 New Sec. 14. (a) In order to accomplish the mission for Kansas  
6 education, the state board of education shall design and adopt a school  
7 performance accreditation system based upon improvement in  
8 performance that reflects high academic standards and is measurable.

9 (b) The state board shall establish curriculum standards which reflect  
10 high academic standards for the core academic areas of mathematics,  
11 science, reading, writing and social studies. The curriculum standards shall  
12 be reviewed at least every seven years. Nothing in this subsection shall be  
13 construed in any manner so as to impinge upon any district's authority to  
14 determine its own curriculum.

15 (c) The state board shall provide for statewide assessments in the core  
16 academic areas of mathematics, science, reading, writing and social  
17 studies. The board shall ensure compatibility between the statewide  
18 assessments and the curriculum standards established pursuant to  
19 subsection (b). Such assessments shall be administered at three grade  
20 levels, as determined by the board. The state board shall determine  
21 performance levels on the statewide assessments, the achievement of  
22 which represents high academic standards in the academic area at the  
23 grade level to which the assessment applies. The state board should specify  
24 high academic standards for individual performance and school  
25 performance on the assessments.

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

41 (e) Whenever the state board of education determines that a school  
42 has failed either to meet the accreditation requirements established by  
43 rules and regulations or standards adopted by the state board or provide the

1 curriculum required by state law, the state board shall so notify the school  
2 district in which the school is located. Such notice shall specify the  
3 accreditation requirements that the school has failed to meet and the  
4 curriculum that the school has failed to provide. Upon receipt of such  
5 notice, the board of education of such school district is encouraged to  
6 reallocate the resources of the school district to remedy all deficiencies  
7 identified by the state board. When making such reallocation, the board of  
8 education shall take into consideration the resource strategies of highly  
9 resource-efficient districts as identified in phase III of the Kansas  
10 education resource management study conducted by Standard and Poor's  
11 (March 2006).

12 (f) The provisions of this section shall be in effect on and after July 1,  
13 2017.

14 New Sec. 15. (a) The state board may adopt rules and regulations for  
15 the administration of the provisions of this act.

16 (b) For school year 2017-2018, any rules and regulations adopted  
17 under this section shall only apply to school districts subject to the pilot  
18 program pursuant to section 16, and amendments thereto.

19 (c) For school year 2018-2019, and each school year thereafter, any  
20 rules and regulations adopted under this section shall apply to all school  
21 districts.

22 New Sec. 16. (a) The provisions of this act are to be a pilot school  
23 finance formula for school year 2017-2018, and to this end, the provisions  
24 of this act are limited to only those school districts as specified in this  
25 section. The legislature shall review the provisions of this act prior to its  
26 application to all school districts.

27 (b) For school year 2017-2018, the provisions of this act shall be  
28 applicable only to one selected school district in each congressional  
29 district.

30 (c) (1) The pilot program participant school district shall be selected  
31 first on a volunteer basis. School districts wishing to volunteer shall notify  
32 the state board on or before December 31, 2016.

33 (2) If there is more than one school district volunteer or if there is no  
34 school district volunteer for a congressional district, the legislative  
35 coordinating council shall select a school district from such congressional  
36 district to be the pilot program participant for such district on or before  
37 December 31, 2016.

38 (d) Any school district that is subject to the provisions of this act for  
39 school year 2017-2018 shall not be subject to the provisions of the  
40 classroom learning assuring student success act, K.S.A. 72-6463 et seq.,  
41 and amendments thereto, or any successor school finance act which may  
42 be in effect for such school year.

43 New Sec. 17. (a) If any provision or clause of sections 1 through 16,

1 and amendments thereto, or application thereof to any person or  
2 circumstance is held invalid, such invalidity shall not affect other  
3 provisions or applications of the act which can be given effect without the  
4 invalid provision or application, and to this end the provisions of this act  
5 are declared to be severable.

6 (b) The provisions of this section shall be in effect on and after July  
7 1, 2017.

8 Sec. 18. On and after July 1, 2017, K.S.A. 2015 Supp. 10-1116a is  
9 hereby amended to read as follows: 10-1116a. The limitations on  
10 expenditures imposed under the cash-basis law shall not apply to:

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

31 (b) Expenditures in any month by school districts which are in excess  
32 of current revenues if the deficit or shortage in revenues is caused by, or a  
33 result of, the payment of state aid after the date prescribed for the payment  
34 of state aid during such month under ~~K.S.A. 2015 Supp. 72-6466~~ section  
35 5, and amendments thereto.

36 Sec. 19. On and after July 1, 2017, K.S.A. 2015 Supp. 12-1770a is  
37 hereby amended to read as follows: 12-1770a. As used in this act, and  
38 amendments thereto, the following words and phrases shall have the  
39 following meanings unless a different meaning clearly appears from the  
40 content:

41 (a) "Auto race track facility" means: (1) An auto race track facility  
42 and facilities directly related and necessary to the operation of an auto race  
43 track facility, including, but not limited to, grandstands, suites and viewing

1 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
 2 centers, signage and temporary hospitality facilities, but excluding (2)  
 3 hotels, motels, restaurants and retail facilities, not directly related to or  
 4 necessary to the operation of such facility.

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

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

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

- 13 (A) A substantial number of deteriorated or deteriorating structures;
- 14 (B) predominance of defective or inadequate street layout;
- 15 (C) unsanitary or unsafe conditions;
- 16 (D) deterioration of site improvements;
- 17 (E) tax or special assessment delinquency exceeding the fair market  
 18 value of the real property;

19 (F) defective or unusual conditions of title including, but not limited  
 20 to, cloudy or defective titles, multiple or unknown ownership interests to  
 21 the property;

22 (G) improper subdivision or obsolete platting or land uses;

23 (H) the existence of conditions which endanger life or property by  
 24 fire or other causes; or

25 (1) conditions which create economic obsolescence; ~~or~~

26 (2) has been identified by any state or federal environmental agency  
 27 as being environmentally contaminated to an extent that requires a  
 28 remedial investigation; feasibility study and remediation or other similar  
 29 state or federal action; ~~or~~

30 (3) a majority of the property is a 100-year floodplain area; or

31 (4) previously was found by resolution of the governing body to be a  
 32 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments  
 33 thereto.

34 (d) "Conservation area" means any improved area comprising 15% or  
 35 less of the land area within the corporate limits of a city in which 50% or  
 36 more of the structures in the area have an age of 35 years or more, which  
 37 area is not yet blighted, but may become a blighted area due to the  
 38 existence of a combination of two or more of the following factors:

- 39 (1) Dilapidation, obsolescence or deterioration of the structures;
- 40 (2) illegal use of individual structures;
- 41 (3) the presence of structures below minimum code standards;
- 42 (4) building abandonment;
- 43 (5) excessive vacancies;

1 (6) overcrowding of structures and community facilities; or

2 (7) inadequate utilities and infrastructure.

3 (e) "De minimus" means an amount less than 15% of the land area  
4 within a redevelopment district.

5 (f) "Developer" means any person, firm, corporation, partnership or  
6 limited liability company, other than a city and other than an agency,  
7 political subdivision or instrumentality of the state or a county when  
8 relating to a bioscience development district.

9 (g) "Eligible area" means a blighted area, conservation area,  
10 enterprise zone, intermodal transportation area, major tourism area or a  
11 major commercial entertainment and tourism area or bioscience  
12 development area.

13 (h) "Enterprise zone" means an area within a city that was designated  
14 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107  
15 through 12-17,113, and amendments thereto, prior to its repeal and the  
16 conservation, development or redevelopment of the area is necessary to  
17 promote the general and economic welfare of such city.

18 (i) "Environmental increment" means the increment determined  
19 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

20 (j) "Environmentally contaminated area" means an area of land  
21 having contaminated groundwater or soil which is deemed  
22 environmentally contaminated by the department of health and  
23 environment or the United States environmental protection agency.

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

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

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

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

37 (A) A statement of how the taxes obtained from the project will  
38 contribute significantly to the economic development of the jurisdiction in  
39 which the project is located;

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

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

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

5 (C) an anticipated principal and interest payment schedule on the  
6 bonds;

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

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

16 (l) "Major tourism area" means an area for which the secretary has  
17 made a finding the capital improvements costing not less than  
18 \$100,000,000 will be built in the state to construct an auto race track  
19 facility.

20 (m) "Real property taxes" means all taxes levied on an ad valorem  
21 basis upon land and improvements thereon, except that when relating to a  
22 bioscience development district, as defined in this section, "real property  
23 taxes" does not include property taxes levied for schools, pursuant to  
24 ~~K.S.A. 2015 Supp. 72-6470~~ *section 10*, and amendments thereto.

25 (n) "Redevelopment project area" means an area designated by a city  
26 within a redevelopment district or, if the redevelopment district is  
27 established for an intermodal transportation area, an area designated by a  
28 city within or outside of the redevelopment district.

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

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

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

35 (C) site preparation including utility relocations;

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

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

38 (F) street grading, paving, graveling, macadamizing, curbing,  
39 guttering and surfacing;

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

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

43 (I) sidewalks and pedestrian underpasses or overpasses;

- 1 (J) drives and driveway approaches located within the public right-of-  
2 way;
- 3 (K) water mains and extensions;
- 4 (L) plazas and arcades;
- 5 (M) major multi-sport athletic complex;
- 6 (N) museum facility;
- 7 (O) parking facilities including multilevel parking facilities;
- 8 (P) landscaping and plantings, fountains, shelters, benches,  
9 sculptures, lighting, decorations and similar amenities;
- 10 (Q) related expenses to redevelop and finance the redevelopment  
11 project;
- 12 (R) for purposes of an incubator project, such costs shall also include  
13 wet lab equipment including hoods, lab tables, heavy water equipment and  
14 all such other equipment found to be necessary or appropriate for a  
15 commercial incubator wet lab facility by the city in its resolution  
16 establishing such redevelopment district or a bioscience development  
17 district;
- 18 (S) costs for the acquisition of land for and the construction and  
19 installation of publicly-owned infrastructure improvements which serve an  
20 intermodal transportation area and are located outside of a redevelopment  
21 district; and
- 22 (T) costs for infrastructure located outside the redevelopment district  
23 but contiguous to any portion of the redevelopment district and such  
24 infrastructure is necessary for the implementation of the redevelopment  
25 plan as determined by the city.
- 26 (2) Redevelopment project costs shall not include: (A) Costs incurred  
27 in connection with the construction of buildings or other structures to be  
28 owned by or leased to a developer, however, the "redevelopment project  
29 costs" shall include costs incurred in connection with the construction of  
30 buildings or other structures to be owned or leased to a developer which  
31 includes an auto race track facility or a multilevel parking facility.
- 32 (B) In addition, for a redevelopment project financed with special  
33 obligation bonds payable from the revenues described in K.S.A. 12-  
34 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall  
35 not include:
- 36 (i) Fees and commissions paid to developers, real estate agents,  
37 financial advisors or any other consultants who represent the developers or  
38 any other businesses considering locating in or located in a redevelopment  
39 district;
- 40 (ii) salaries for local government employees;
- 41 (iii) moving expenses for employees of the businesses locating within  
42 the redevelopment district;
- 43 (iv) property taxes for businesses that locate in the redevelopment

1 district;

2 (v) lobbying costs;

3 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-  
4 1742, and amendments thereto;

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

7 (viii) travel, entertainment and hospitality.

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

11 (q) "Redevelopment district plan" or "district plan" means the  
12 preliminary plan that identifies all of the proposed redevelopment project  
13 areas and identifies in a general manner all of the buildings, facilities and  
14 improvements in each that are proposed to be constructed or improved in  
15 each redevelopment project area or, if the redevelopment district is  
16 established for an intermodal transportation area, in or outside of the  
17 redevelopment district.

18 (r) "Redevelopment project" means the approved project to  
19 implement a project plan for the development of the established  
20 redevelopment district.

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

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

28 (u) "Tax increment" means that amount of real property taxes  
29 collected from real property located within the redevelopment district that  
30 is in excess of the amount of real property taxes which is collected from  
31 the base year assessed valuation.

32 (v) "Taxing subdivision" means the county, city, unified school  
33 district and any other taxing subdivision levying real property taxes, the  
34 territory or jurisdiction of which includes any currently existing or  
35 subsequently created redevelopment district including a bioscience  
36 development district.

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

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

43 (y) "Major multi-sport athletic complex" means an athletic complex

1 that is utilized for the training of athletes, the practice of athletic teams, the  
2 playing of athletic games or the hosting of events. Such project may  
3 include playing fields, parking lots and other developments including  
4 grandstands, suites and viewing areas, concessions, souvenir facilities,  
5 catering facilities, visitor centers, signage and temporary hospitality  
6 facilities, but excluding hotels, motels, restaurants and retail facilities, not  
7 directly related to or necessary to the operation of such facility.

8 (z) "Bioscience" means the use of compositions, methods and  
9 organisms in cellular and molecular research, development and  
10 manufacturing processes for such diverse areas as pharmaceuticals,  
11 medical therapeutics, medical diagnostics, medical devices, medical  
12 instruments, biochemistry, microbiology, veterinary medicine, plant  
13 biology, agriculture, industrial environmental and homeland security  
14 applications of bioscience and future developments in the biosciences.  
15 Bioscience includes biotechnology and life sciences.

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

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

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

20 (3) includes a bioscience facility.

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

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

26 (dd) "Bioscience development project plan" means the plan adopted  
27 by the authority for a bioscience development project pursuant to K.S.A.  
28 12-1772, and amendments thereto, in a bioscience development district.

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

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

35 (gg) "Biotechnology" means those fields focusing on technological  
36 developments in such areas as molecular biology, genetic engineering,  
37 genomics, proteomics, physiomics, nanotechnology, biodefense,  
38 biocomputing, bioinformatics and future developments associated with  
39 biotechnology.

40 (hh) "Board" means the board of directors of the Kansas bioscience  
41 authority.

42 (ii) "Life sciences" means the areas of medical sciences,  
43 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,

1 ecology, toxicology, organic chemistry, physical chemistry, physiology and  
2 any future advances associated with life sciences.

3 (jj) "Revenue increase" means that amount of real property taxes  
4 collected from real property located within the bioscience development  
5 district that is in excess of the amount of real property taxes which is  
6 collected from the base year assessed valuation.

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

12 (ll) "Floodplain increment" means the increment determined pursuant  
13 to K.S.A. 2015 Supp. 12-1771e(b), and amendments thereto.

14 (mm) "100-year floodplain area" means an area of land existing in a  
15 100-year floodplain as determined by either an engineering study of a  
16 Kansas certified engineer or by the United States federal emergency  
17 management agency.

18 (nn) "Major motorsports complex" means a complex in Shawnee  
19 county that is utilized for the hosting of competitions involving motor  
20 vehicles, including, but not limited to, automobiles, motorcycles or other  
21 self-propelled vehicles other than a motorized bicycle or motorized  
22 wheelchair. Such project may include racetracks, all facilities directly  
23 related and necessary to the operation of a motorsports complex,  
24 including, but not limited to, parking lots, grandstands, suites and viewing  
25 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
26 centers, signage and temporary hospitality facilities, but excluding hotels,  
27 motels, restaurants and retail facilities not directly related to or necessary  
28 to the operation of such facility.

29 (oo) "Intermodal transportation area" means an area of not less than  
30 800 acres to be developed primarily to handle the transfer, storage and  
31 distribution of freight through railway and trucking operations.

32 (pp) "Museum facility" means a separate newly-constructed museum  
33 building and facilities directly related and necessary to the operation  
34 thereof, including gift shops and restaurant facilities, but excluding hotels,  
35 motels, restaurants and retail facilities not directly related to or necessary  
36 to the operation of such facility. The museum facility shall be owned by  
37 the state, a city, county, other political subdivision of the state or a non-  
38 profit corporation, shall be managed by the state, a city, county, other  
39 political subdivision of the state or a non-profit corporation and may not  
40 be leased to any developer and shall not be located within any retail or  
41 commercial building.

42 Sec. 20. On and after July 1, 2017, K.S.A. 2015 Supp. 12-1775a is  
43 hereby amended to read as follows: 12-1775a. (a) Prior to December 31,

1 1996, the governing body of each city which, pursuant to K.S.A. 12-1771,  
2 and amendments thereto, has established a redevelopment district prior to  
3 July 1, 1996, shall certify to the director of accounts and reports the  
4 amount equal to the amount of revenue realized from ad valorem taxes  
5 imposed pursuant to ~~K.S.A. 2015 Supp. 72-6470~~ section 10, and  
6 amendments thereto, within such redevelopment district. Prior to February  
7 1, 1997, and annually on that date thereafter, the governing body of each  
8 such city shall certify to the director of accounts and reports an amount  
9 equal to the amount by which revenues realized from such ad valorem  
10 taxes imposed in such redevelopment district are estimated to be reduced  
11 for the ensuing calendar year due to legislative changes in the statewide  
12 school finance formula. Prior to March 1 of each year, the director of  
13 accounts and reports shall certify to the state treasurer each amount  
14 certified by the governing bodies of cities under this section for the  
15 ensuing calendar year and shall transfer from the state general fund to the  
16 city tax increment financing revenue fund the aggregate of all amounts so  
17 certified. Prior to April 15 of each year, the state treasurer shall pay from  
18 the city tax increment financing revenue fund to each city certifying an  
19 amount to the director of accounts and reports under this section for the  
20 ensuing calendar year the amount so certified.

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

27 Sec. 21. On and after July 1, 2017, K.S.A. 2015 Supp. 72-1046b is  
28 hereby amended to read as follows: 72-1046b. (a) As used in this section:

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

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

39 (3) "Member of the family" means a brother or sister of the whole or  
40 half blood or by adoption, a stepbrother or stepsister, and a foster brother  
41 or foster sister.

42 (b) The board of education of any school district may allow any pupil  
43 who is not a resident of the district to enroll in and attend school in such

1 district. The board of education of such district may furnish or provide  
2 transportation to any non-resident pupil who is enrolled in and attending  
3 school in the district pursuant to this section. If the district agrees to  
4 furnish or provide transportation to a non-resident pupil, such  
5 transportation shall be furnished or provided until the end of the school  
6 year. Prior to providing or furnishing transportation to a non-resident  
7 pupil, the district shall notify the board of education of the district in  
8 which the pupil resides that transportation will be furnished or provided.

9 (c) Pupils attending school in a school district in which the pupil does  
10 not reside pursuant to this section shall be counted as regularly enrolled in  
11 and attending school in the district where the pupil is enrolled for the  
12 purpose of ~~computations under the classroom learning assuring student~~  
13 ~~suecess act, K.S.A. 2015 Supp. 72-6463 et seq. enrollment reporting~~  
14 ~~pursuant to section 7, and amendments thereto, and for the purposes of the~~  
15 ~~statutory provisions contained in article 83 of chapter 72 of the Kansas~~  
16 ~~Statutes Annotated, and amendments thereto. Such non-resident pupil shall~~  
17 ~~not be charged for the costs of attendance at school.~~

18 ~~(d) Any pupil who was not a resident of the district in school year~~  
19 ~~2014-2015, but was allowed to enroll in and attend school in such district~~  
20 ~~in school year 2014-2015 by the board of education of such district and~~  
21 ~~any member of the family of such pupil regardless of whether such family~~  
22 ~~member enrolled in and attended school in such district in school year~~  
23 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~  
24 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~  
25 ~~pupil or family member of such pupil is a resident of the district in either~~  
26 ~~school year, provided such pupil or such pupil's family member is in~~  
27 ~~compliance with any attendance and behavior policies of the district. If~~  
28 ~~transportation was furnished or provided to such pupil in school year~~  
29 ~~2014-2015 by the district, then transportation shall be furnished or~~  
30 ~~provided by the district to such pupil and any family member of such pupil~~  
31 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~  
32 ~~such pupil's residence and no requirement for the district to furnish~~  
33 ~~transportation to any additional residence.~~

34 Sec. 22. On and after July 1, 2017, K.S.A. 2015 Supp. 72-1398 is  
35 hereby amended to read as follows: 72-1398. (a) The national board for  
36 professional teaching standards certification incentive program is hereby  
37 established for the purpose of rewarding teachers who have attained  
38 certification from the national board. Teachers who have attained  
39 certification from the national board shall be issued a master teacher's  
40 license by the state board of education. A master teacher's license shall be  
41 valid for 10 years and renewable thereafter every 10 years through  
42 compliance with continuing education and professional development  
43 requirements prescribed by the state board. Teachers who have attained

1 certification from the national board and who are employed by a school  
2 district shall be paid an incentive bonus in the amount of \$1,000 each  
3 school year that the teacher remains employed by a school district and  
4 retains a valid master teacher's license.

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

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

25 (d) Moneys received by a board of education under this section shall  
26 be deposited in the general fund of the school district and shall be  
27 considered reimbursements to the district for the purpose of the ~~classroom~~  
28 ~~learning-assuring-student-success-act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
29 *classroom-based funding act, section 1 et seq.*, and amendments thereto,  
30 and may be expended whether the same have been budgeted or not.

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

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

1       Sec. 23. On and after July 1, 2017, K.S.A. 2015 Supp. 72-1414 is  
2 hereby amended to read as follows: 72-1414. (a) On or before January 1,  
3 2001, the state board of education shall adopt rules and regulations for the  
4 administration of mentor teacher programs and shall:

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

7       (2) evaluate and approve mentor teacher programs;

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

10       (4) prescribe guidelines for the selection by boards of education of  
11 mentor teachers and for the provision by boards of education of training  
12 programs for mentor teachers;

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

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

17       (b) Subject to the availability of appropriations for mentor teacher  
18 programs maintained by school districts, and within the limits of any such  
19 appropriations, the state board of education shall determine the amount of  
20 grants to be awarded school districts by multiplying an amount not to  
21 exceed \$1,000 by the number of mentor teachers participating in the  
22 program maintained by a school district. The product is the amount of the  
23 grant to be awarded to the district. Upon receipt of a grant of state moneys  
24 for maintenance of a mentor teacher program, the amount of the grant shall  
25 be deposited in the general fund of the school district. Moneys deposited in  
26 the general fund of a school district under this subsection shall be  
27 considered reimbursements for the purpose of the ~~classroom learning~~  
28 ~~assuring student success act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
29 ~~classroom-based funding act, section 1 et seq.~~, and amendments thereto.  
30 The full amount of the grant shall be allocated among the mentor teachers  
31 employed by the school district so as to provide a mentor teacher with an  
32 annual stipend in an amount not to exceed \$1,000. Such annual stipend  
33 shall be over and above the regular salary to which the mentor teacher is  
34 entitled for the school year.

35       Sec. 24. On and after July 1, 2017, K.S.A. 2015 Supp. 72-1923 is  
36 hereby amended to read as follows: 72-1923. (a) Except as provided in  
37 K.S.A. 2015 Supp. 72-1925, and amendments thereto, the board of  
38 education of any school district may apply to the state board for a grant of  
39 authority to operate such school district as a public innovative district. The  
40 application shall be submitted in the form and manner prescribed by the  
41 state board, and shall be submitted not later than December 1 of the school  
42 year preceding the school year in which the school district intends to  
43 operate as a public innovative district.

1 (b) The application shall include the following:

2 (1) A description of the educational programs of the public innovative  
3 district;

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

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

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

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

18 (2) If the state board determines such application is not in compliance  
19 with either this section, or K.S.A. 2015 Supp. 72-1925, and amendments  
20 thereto, the state board shall deny such application. Notification of such  
21 denial shall be sent to the board of education of such school district within  
22 10 days after such decision and shall specify the reasons therefor. Within  
23 30 days from the date such notification is sent, the board of education of  
24 such school district may submit a request to the state board for  
25 reconsideration of the application and may submit an amended application  
26 with such request. The state board shall act on the request for  
27 reconsideration within 60 days of receipt of such request.

28 (d) A public innovative district shall:

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

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

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

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

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

40 (e) (1) Except as otherwise provided in K.S.A. 2015 Supp. 72-1921  
41 through 72-1930, and amendments thereto, or as required by the board of  
42 education of the public innovative district, a public innovative district shall  
43 be exempt from all laws and rules and regulations that are applicable to

1 school districts.

2 (2) A public innovative district shall be subject to the special  
3 education for exceptional children act, the virtual school act, the ~~classroom~~  
4 ~~learning assuring student success act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
5 *classroom-based funding act, section 1 et seq.*, and amendments thereto,  
6 the provisions of K.S.A. 72-8801 et seq., and amendments thereto, all laws  
7 governing the issuance of general obligation bonds by school districts, the  
8 provisions of K.S.A. 74-4901 et seq., and amendments thereto, and all  
9 laws governing the election of members of the board of education, the  
10 open meetings act as provided in K.S.A. 75-4317 et seq., and amendments  
11 thereto, and the open records act as provided in K.S.A. 45-215 et seq., and  
12 amendments thereto.

13 Sec. 25. On and after July 1, 2017, K.S.A. 2015 Supp. 72-5333b is  
14 hereby amended to read as follows: 72-5333b. (a) The unified school  
15 district maintaining and operating a school on the Fort Leavenworth  
16 military reservation, being unified school district No. 207 of Leavenworth  
17 county, state of Kansas, shall have a governing body, which shall be  
18 known as the "Fort Leavenworth school district board of education" and  
19 which shall consist of three members who shall be appointed by, and serve  
20 at the pleasure of the commanding general of Fort Leavenworth. One  
21 member of the board shall be the president and one member shall be the  
22 vice-president. The commanding general, when making any appointment  
23 to the board, shall designate which of the offices the member so appointed  
24 shall hold. Except as otherwise expressly provided in this section, the  
25 district board and the officers thereof shall have and may exercise all the  
26 powers, duties, authority and jurisdiction imposed or conferred by law on  
27 unified school districts and boards of education thereof, except such school  
28 district shall not offer or operate any of grades 10 through 12.

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

31 (c) Except as otherwise expressly provided in this subsection, the  
32 provisions of the ~~classroom learning assuring student success act, K.S.A.~~  
33 ~~2015 Supp. 72-6463 et seq.~~ *classroom-based funding act, section 1 et seq.*,  
34 and amendments thereto, apply to the school district. Any moneys  
35 received by the school district shall be deposited in the general fund of the  
36 school district or, at the discretion of the board of education, in the capital  
37 outlay fund of the school district.

38 Sec. 26. On and after July 1, 2017, K.S.A. 2015 Supp. 72-64b01 is  
39 hereby amended to read as follows: 72-64b01. (a) No school district shall  
40 expend, use or transfer any moneys from the general fund of the district  
41 for the purpose of engaging in or supporting in any manner any litigation  
42 by the school district or any person, association, corporation or other entity  
43 against the state of Kansas, the state board of education, the state

1 department of education, other state agency or any state officer or  
2 employee regarding any law concerning school finance. No such moneys  
3 shall be paid, donated or otherwise provided to any person, association,  
4 corporation or other entity and used for the purpose of any such litigation.

5 (b) Nothing in this section shall be construed as prohibiting the  
6 expenditure, use or transfer of moneys from the proceeds of any tax levied  
7 by a school district pursuant to ~~K.S.A. 2015 Supp. 72-6472 section 11 or~~  
8 ~~12~~, and amendments thereto, for the purposes specified in subsection (a).

9 Sec. 27. On and after July 1, 2017, K.S.A. 2015 Supp. 72-64c03 is  
10 hereby amended to read as follows: 72-64c03. The appropriation of  
11 moneys necessary to pay general state aid ~~and supplemental general state~~  
12 ~~aid under the classroom learning assuring student success act, K.S.A. 2015~~  
13 ~~Supp. 72-6463 et seq. under the classroom-based funding act, section 1 et~~  
14 ~~seq.~~, and amendments thereto, and state aid for the provision of special  
15 education and related services under the special education for exceptional  
16 children act shall be given first priority in the legislative budgeting process  
17 and shall be paid first from existing state revenues.

18 Sec. 28. On and after July 1, 2017, K.S.A. 2015 Supp. 72-64c05 is  
19 hereby amended to read as follows: 72-64c05. Article 6 of the constitution  
20 of the state of Kansas states that the legislature shall provide for  
21 intellectual, educational, vocational and scientific improvement by  
22 establishing and maintaining public schools; provide for a state board of  
23 education having general supervision of public schools, educational  
24 institutions and the educational interests of the state, except those  
25 delegated by law to the state board of regents; and make suitable provision  
26 for finance of the educational interests of the state. It is the purpose and  
27 intention of the legislature to provide a financing system for the education  
28 of kindergarten and grades one through 12 which provides students with  
29 the capacities set forth in K.S.A. 2015 Supp. 72-1127, and amendments  
30 thereto. Such financing system shall be sufficiently flexible for the  
31 legislature to consider and utilize financing methods from all available  
32 resources in order to satisfy the constitutional requirements under article 6.  
33 Such financing methods shall include, but are not limited to, the following:

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

36 (b) subject to appropriations by the legislature, appropriations of state  
37 moneys for the improvement of public education, including, but not  
38 limited to, the following:

39 (1) Financing to unified school districts through ~~the classroom-~~  
40 ~~learning assuring student success act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
41 ~~classroom-based funding act, section 1 et seq.~~, and amendments thereto;

42 (2) financing to unified school districts through any provisions which  
43 provide state aid, such as capital improvements state aid, capital outlay

1 state aid and any other state aid paid, distributed or allocated to school  
2 districts on the basis of the assessed valuation of school districts;

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

5 (4) appropriations to the Kansas children's cabinet for programs  
6 serving students enrolled in unified school districts in meeting the goal  
7 specified in K.S.A. 2015 Supp. 72-1127, and amendments thereto;

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

11 (6) appropriations to any programs, such as communities in schools,  
12 which provide individualized support to students enrolled in unified school  
13 districts in meeting the goal specified in K.S.A. 2015 Supp. 72-1127, and  
14 amendments thereto;

15 (7) transportation financing, including any transfers from the state  
16 general fund and state highway fund to the state department of education  
17 to provide technical education transportation, special education  
18 transportation or school bus safety;

19 (8) financing to other facilities providing public education to students,  
20 such as the Kansas state school for the blind, the Kansas state school for  
21 the deaf, school district juvenile detention facilities and the Flint Hills job  
22 corps center;

23 (9) appropriations relating to the Kansas academy of mathematics and  
24 science;

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

27 (11) appropriations to the state board of regents to provide technical  
28 education incentives to unified school districts and tuition costs to  
29 postsecondary institutions which provide career technical education to  
30 secondary students; and

31 (12) appropriations to any postsecondary educational institution  
32 which provides postsecondary education to a secondary student without  
33 charging tuition to such student;

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

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

39 Sec. 29. On and after July 1, 2017, K.S.A. 2015 Supp. 72-6624 is  
40 hereby amended to read as follows: 72-6624. (a) As used in this section:

41 (1) "School district" means unified school district No. 404, unified  
42 school district No. 493, unified school district No. 499 and unified school  
43 district No. 508.

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

4 (3) "State aid" means general state aid, capital improvements state  
5 aid, capital outlay state aid and any other state aid paid, distributed or  
6 allocated to school districts under the ~~classroom-learning-assuring-student~~  
7 ~~success act, K.S.A. 2015 Supp. 72-6463 et seq. classroom-based funding~~  
8 *act, section 1 et seq.*, and amendments thereto, or other law, and any other  
9 state aid paid, distributed or allocated to school districts on the basis of the  
10 assessed valuation of school districts.

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

15 (c) The provisions of this section shall not apply if the property is not  
16 or ceases to be used as a racetrack gaming facility or lottery gaming  
17 facility under the Kansas expanded lottery act.

18 Sec. 30. On and after July 1, 2017, K.S.A. 2015 Supp. 72-6625 is  
19 hereby amended to read as follows: 72-6625. (a) As used in this section:

20 (1) "School district" means unified school district No. 507 and  
21 unified school district No. 374.

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

27 (3) "State aid" means general state aid, capital improvements state  
28 aid, capital outlay state aid and any other state aid paid, distributed or  
29 allocated to school districts under the ~~classroom-learning-assuring-student~~  
30 ~~success act, K.S.A. 2015 Supp. 72-6463 et seq. classroom-based funding~~  
31 *act, section 1 et seq.*, and amendments thereto, or other law, and any other  
32 state aid paid, distributed or allocated to school districts on the basis of the  
33 assessed valuation of school districts.

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

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

40 Sec. 31. On and after July 1, 2017, K.S.A. 2015 Supp. 72-6757 is  
41 hereby amended to read as follows: 72-6757. (a) As used in this section:

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

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

3 (b) The board of education of any school district may make and enter  
4 into contracts with the board of education of any receiving school district  
5 located in this state for the purpose of providing for the attendance of  
6 pupils at school in the receiving school district.

7 (c) The board of education of any school district may make and enter  
8 into contracts with the governing authority of any accredited school  
9 district located in another state for the purpose of providing for the  
10 attendance of pupils from this state at school in such other state or for the  
11 attendance of pupils from such other state at school in this state.

12 (d) Pupils attending school in a receiving school district in  
13 accordance with a contract authorized by this section and made and  
14 entered into by such receiving school district with a sending school district  
15 located in this state shall be counted as regularly enrolled in and attending  
16 school in the sending school district for the purpose of computations under  
17 ~~the classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
18 ~~6463 et seq. classroom-based funding act, section 1 et seq., and~~  
19 ~~amendments thereto.~~

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

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

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

29 (3) if a sending school district is located in this state and the receiving  
30 school district is located in another state, the amount of tuition provided to  
31 be paid for the attendance of a pupil or pupils at school in the receiving  
32 school district shall not exceed  $\frac{1}{2}$  of the amount of the budget per pupil of  
33 the sending school district under ~~the classroom learning assuring student~~  
34 ~~success act, K.S.A. 2015 Supp. 72-6463 et seq. classroom-based funding~~  
35 ~~act, section 1 et seq., and amendments thereto, for the current school year;~~  
36 and

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

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

43 (g) The provisions of subsection (e)(3) do not apply to unified school

1 district No. 104, Jewell county.

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

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

9 Sec. 32. On and after July 1, 2017, K.S.A. 2015 Supp. 72-67,115 is  
10 hereby amended to read as follows: 72-67,115. (a) The board of education  
11 of any school district may:

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

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

17 (3) Contract with private, nonprofit corporations or associations or  
18 with any public or private agency or institution, whether located within or  
19 outside the state, for the establishment, operation and maintenance of such  
20 preschool programs.

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

22 (b) Fees for providing preschool programs shall be prescribed and  
23 collected only to recover the costs incurred as a result of and directly  
24 attributable to the establishment, operation and maintenance of the  
25 preschool programs. Revenues from fees collected by a board under this  
26 section shall be deposited in the general fund of the school district and  
27 shall be considered reimbursements to the district for the purpose of the  
28 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
29 ~~6463 et seq. classroom-based funding act, section 1 et seq.,~~ and  
30 amendments thereto, and may be expended whether the same have been  
31 budgeted or not and amounts so expended shall not be considered  
32 operating expenses.

33 Sec. 33. On and after July 1, 2017, K.S.A. 2015 Supp. 72-7535 is  
34 hereby amended to read as follows: 72-7535. (a) In order to equip students  
35 with the knowledge and skills needed to become self-supporting and to  
36 enable students to make critical decisions regarding personal finances, the  
37 state board of education shall authorize and assist in the implementation of  
38 programs on teaching personal financial literacy.

39 (b) The state board of education shall develop a curriculum, materials  
40 and guidelines that local boards of education and governing authorities of  
41 accredited nonpublic schools may use in implementing the program of  
42 instruction on personal financial literacy. The state board of education  
43 shall adopt a glossary of personal financial literacy terms which shall be

1 used by school districts when implementing the program on personal  
2 financial literacy.

3 (c) The state board of education shall develop state curriculum  
4 standards for personal financial literacy, for all grade levels, within the  
5 existing mathematics curriculum or another appropriate subject-matter  
6 curriculum.

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

13 (e) The state board of education shall include questions relating to  
14 personal financial literacy in the statewide assessments for mathematics or  
15 social studies required under ~~K.S.A. 2015 Supp. 72-6479~~ *section 14*, and  
16 amendments thereto. When the statewide assessments for mathematics or  
17 social studies are reviewed or rewritten, the state board of education shall  
18 examine the questions relating to personal financial literacy and rewrite  
19 such questions in order to determine if programs on personal financial  
20 literacy are equipping students with the knowledge and skills needed to  
21 become self-supporting and enabling students to make critical decisions  
22 regarding personal finances.

23 Sec. 34. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8187 is  
24 hereby amended to read as follows: 72-8187. (a) In each school year, to the  
25 extent that appropriations are available, each school district which has  
26 provided educational services for pupils residing at the Flint Hills job  
27 corps center, for pupils housed at a psychiatric residential treatment facility  
28 or for pupils confined in a juvenile detention facility is eligible to receive a  
29 grant of state moneys in an amount to be determined by the state board of  
30 education.

31 (b) In order to be eligible for a grant of state moneys provided for by  
32 this section, each school district which has provided educational services  
33 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
34 psychiatric residential treatment facility or for pupils confined in a juvenile  
35 detention facility shall submit to the state board of education an  
36 application for a grant and shall certify the amount expended, and not  
37 reimbursed or otherwise financed, in the school year for the services  
38 provided. The application and certification shall be prepared in such form  
39 and manner as the state board shall require and shall be submitted at a time  
40 to be determined and specified by the state board. Approval by the state  
41 board of applications for grants of state moneys is prerequisite to the  
42 award of grants.

43 (c) Each school district which is awarded a grant under this section

1 shall make such periodic and special reports of statistical and financial  
2 information to the state board as it may request.

3 (d) All moneys received by a school district under authority of this  
4 section shall be deposited in the general fund of the school district and  
5 shall be considered reimbursement of the district for the purpose of the  
6 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
7 ~~6463 et seq.~~ *classroom-based funding act, section 1 et seq.*, and  
8 amendments thereto.

9 (e) The state board of education shall approve applications of school  
10 districts for grants, determine the amount of grants and be responsible for  
11 payment of grants to school districts. In determining the amount of a grant  
12 which a school district is eligible to receive, the state board shall compute  
13 the amount of state financial aid the district would have received on the  
14 basis of enrollment of pupils residing at the Flint Hills job corps center,  
15 housed at a psychiatric residential treatment facility or confined in a  
16 juvenile detention facility if such pupils had been counted as two pupils  
17 under the school district finance and quality performance act and compare  
18 such computed amount to the amount certified by the district under  
19 subsection (b). The amount of the grant the district is eligible to receive  
20 shall be an amount equal to the lesser of the amount computed under this  
21 subsection or the amount certified under subsection (b). If the amount of  
22 appropriations for the payment of grants under this section is insufficient  
23 to pay in full the amount each school district is determined to be eligible to  
24 receive for the school year, the state board shall prorate the amount  
25 appropriated among all school districts which are eligible to receive grants  
26 of state moneys in proportion to the amount each school district is  
27 determined to be eligible to receive.

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

32 (g) As used in this section:

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

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

42 (3) "psychiatric residential treatment facility" means a facility which  
43 provides psychiatric services to individuals under the age of 21 and which

1 conforms with the regulations of the centers for medicare/medicaid  
2 services, is licensed and certified by the Kansas department for aging and  
3 disability services pursuant to subsection (f).

4 Sec. 35. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8230 is  
5 hereby amended to read as follows: 72-8230. (a) In the event the boards of  
6 education of any two or more school districts enter into a school district  
7 interlocal cooperation agreement for the purpose of jointly and  
8 cooperatively performing any of the services, duties, functions, activities,  
9 obligations or responsibilities which are authorized or required by law to  
10 be performed by school districts of this state, the following conditions  
11 shall apply:

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

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

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

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

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

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

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

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

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

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

42 (E) The state board shall take such action in approving or  
43 disapproving the complete or partial termination of a school district

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

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

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

14 (b) Except as otherwise specifically provided in this subsection, any  
15 power or powers, privileges or authority exercised or capable of exercise  
16 by any school district of this state, or by any board of education thereof,  
17 may be jointly exercised pursuant to the provisions of a school district  
18 interlocal cooperation agreement. No power or powers, privileges or  
19 authority with respect to the levy and collection of taxes, the issuance of  
20 bonds, or the purposes and provisions of the ~~classroom learning assuring~~  
21 ~~student success act, K.S.A. 2015 Supp. 72-6463 et seq.~~ *classroom-based*  
22 *funding act, section 1 et seq.*, and amendments thereto, or title I of public  
23 law 874 shall be created or effectuated for joint exercise pursuant to the  
24 provisions of a school district interlocal cooperation agreement.

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

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

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

41 (f) As used in this section:

42 (1) "School district interlocal cooperation agreement" means an  
43 agreement which is entered into by the boards of education of two or more

1 school districts pursuant to the provisions of the interlocal cooperation act.

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

3 Sec. 36. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8233 is  
4 hereby amended to read as follows: 72-8233. (a) In accordance with the  
5 provisions of this section, the boards of education of any two or more  
6 unified school districts may make and enter into agreements providing for  
7 the attendance of pupils residing in one school district at school in  
8 kindergarten or any of the grades one through 12 maintained by any such  
9 other school district. The boards of education may also provide by  
10 agreement for the combination of enrollments for kindergarten or one or  
11 more grades, courses or units of instruction.

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

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

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

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

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

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

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

1 subsection shall require a majority vote of the members of the board of  
2 education and shall require no other procedure or approval.

3 (e) Pupils attending school in a school district of nonresidence of  
4 such pupils in accordance with an agreement made and entered into under  
5 authority of this section shall be counted as regularly enrolled in and  
6 attending school in the school district of residence of such pupils for the  
7 purpose of computations under the ~~classroom learning assuring student~~  
8 ~~success act, K.S.A. 2015 Supp. 72-6463 et seq.~~ *classroom-based funding*  
9 *act, section 1 et seq.*, and amendments thereto.

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

15 Sec. 37. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8236 is  
16 hereby amended to read as follows: 72-8236. (a) The board of education of  
17 any school district may: (1) Establish, operate and maintain a child care  
18 facility; (2) enter into cooperative or interlocal agreements with one or  
19 more other boards for the establishment, operation and maintenance of a  
20 child care facility; (3) contract with private, nonprofit corporations or  
21 associations or with any public or private agency or institution, whether  
22 located within or outside the state, for the establishment, operation and  
23 maintenance of a child care facility; and (4) prescribe and collect fees for  
24 providing care at a child care facility.

25 (b) Fees for providing care at a child care facility established under  
26 authority of this section shall be prescribed and collected only to recover  
27 the costs incurred as a result of and directly attributable to the  
28 establishment, operation and maintenance of the child care facility.  
29 Revenues from fees collected by a board under this section shall be  
30 deposited in the general fund of the school district and shall be considered  
31 reimbursements to the district for the purpose of the ~~classroom learning~~  
32 ~~assuring student success act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
33 *classroom-based funding act, section 1 et seq.*, and amendments thereto,  
34 and may be expended whether the same have been budgeted or not and  
35 amounts so expended shall not be considered operating expenses.

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

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

1       Sec. 38. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8251 is  
2 hereby amended to read as follows: 72-8251. Whenever a school district is  
3 required by law to make any payment during the month of June and there  
4 is insufficient revenue to make such payment as a result of the payment of  
5 state aid after the date prescribed by the state board of education pursuant  
6 to ~~K.S.A. 2015 Supp. 72-6466~~ *section 5*, and amendments thereto, the  
7 school district shall make such payment as soon as moneys are available.

8       Sec. 39. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8316 is  
9 hereby amended to read as follows: 72-8316. (a) Any board of education,  
10 pursuant to a policy developed and adopted by it, may provide for the use  
11 of district-owned or leased school buses when such buses are not being  
12 used for regularly required school purposes. The policy may provide for:

13       (1) (A) Transporting parents and other adults to or from school-  
14 related functions or activities; (B) transporting pupils to or from functions  
15 or activities sponsored by organizations, the membership of which is  
16 principally composed of children of school age; and (C) transporting  
17 persons engaged in field trips in connection with their participation in an  
18 adult education program maintained by the transporting school district or  
19 by any other school district, within or outside the boundaries of the  
20 transporting school district; and

21       (2) contracting with: (A) The governing body of any township, city or  
22 county for transportation of individuals, groups or organizations; (B) the  
23 governing authority of any nonpublic school for transportation of pupils  
24 attending such nonpublic school to or from interschool or intraschool  
25 functions or activities; (C) the board of trustees of any community college  
26 for transportation of students enrolled in such community college to or  
27 from attendance at class at the community college or to and from functions  
28 or activities of the community college; (D) a public recreation commission  
29 established and operated under the laws of this state, for any purposes  
30 related to the operation of the recreation commission and all programs and  
31 services thereof; (E) the board of education of any other school district for  
32 transportation, on a cooperative and shared-cost basis, of pupils, school  
33 personnel, parents and other adults to or from school-related functions or  
34 activities; or (F) a four-year college or university, area vocational school or  
35 area vocational-technical school for transportation of students to or from  
36 attendance at class at the four-year college or university, area vocational  
37 school or area vocational-technical school or for transportation of students,  
38 alumni and other members of the public to or from functions or activities  
39 of the four-year college or university, area vocational school or area  
40 vocational-technical school.

41       (b) Transportation fees may be charged by the board to offset, totally  
42 or in part, the costs incurred for the use of school buses under authority of  
43 this section.

1 (c) Any revenues received by a board of education as transportation  
2 fees or under any contract entered into pursuant to this section shall be  
3 deposited in the general fund of the school district and shall be considered  
4 reimbursements to the school district for the purpose of the ~~classroom-~~  
5 ~~learning-assuring-student-success act, K.S.A. 2015 Supp. 72-6463 et seq.~~  
6 ~~classroom-based funding act, section 1 et seq.,~~ and amendments thereto.  
7 Such revenues may be expended whether the same have been budgeted or  
8 not.

9 (d) The provisions of K.S.A. 8-1556(c), and amendments thereto,  
10 apply to the use of school buses under authority of this section.

11 Sec. 40. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8415b is  
12 hereby amended to read as follows: 72-8415b. (a) Any school district that  
13 elects to become a self-insurer under the provisions of K.S.A. 72-8414,  
14 and amendments thereto, may transfer moneys from its general fund to the  
15 special reserve fund of the district as provided by ~~K.S.A. 2015 Supp. 72-~~  
16 ~~6478 section 9,~~ and amendments thereto.

17 (b) Any community college that elects to become a self-insurer under  
18 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer  
19 such amounts from its general fund to the health care services reserve fund  
20 or the disability income benefits reserve fund, or the group life benefit  
21 reserve fund, or all three, as may be deemed necessary to meet the cost of  
22 health care services or disability income benefits, or group life insurance  
23 claims, whichever is applicable.

24 Sec. 41. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8804 is  
25 hereby amended to read as follows: 72-8804. (a) Any moneys in the capital  
26 outlay fund of any school district and any moneys received from issuance  
27 of bonds under K.S.A. 72-8805 or 72-8810, and amendments thereto, may  
28 be used for the purpose of the acquisition, construction, reconstruction,  
29 repair, remodeling, additions to, furnishing, maintaining and equipping of  
30 school district property and equipment necessary for school district  
31 purposes, including: (1) Acquisition of computer software; (2) acquisition  
32 of performance uniforms; (3) housing and boarding pupils enrolled in an  
33 area vocational school operated under the board of education; (4)  
34 architectural expenses; (5) acquisition of building sites; (6) undertaking  
35 and maintenance of asbestos control projects; (7) acquisition of school  
36 buses; and (8) acquisition of other fixed assets, ~~and, for school years 2015-~~  
37 ~~2016 and 2016-2017, subject to the provisions of K.S.A. 2015 Supp. 72-~~  
38 ~~6478, and amendments thereto, may be transferred to the general fund of~~  
39 ~~the school district as approved by the board of education.~~

40 (b) The board of education of any school district is hereby authorized  
41 to invest any portion of the capital outlay fund of the school district which  
42 is not currently needed in investments authorized by K.S.A. 12-1675, and  
43 amendments thereto, in the manner prescribed therein, or may invest the

1 same in direct obligations of the United States government maturing or  
2 redeemable at par and accrued interest within three years from date of  
3 purchase, the principal and interest whereof is guaranteed by the  
4 government of the United States. All interest received on any such  
5 investment shall upon receipt thereof be credited to the capital outlay fund.

6 Sec. 42. On and after July 1, 2017, K.S.A. 2015 Supp. 72-8908 is  
7 hereby amended to read as follows: 72-8908. As used in this act:

8 (a) "Juvenile" means a person who is less than 18 years of age;

9 (b) "adult" means a person who is 18 years of age or older;

10 (c) "felony" means any crime designated a felony by the laws of  
11 Kansas or the United States;

12 (d) "misdemeanor" means any crime designated a misdemeanor by  
13 the laws of Kansas or the United States;

14 (e) "school day" means any day on which school is maintained;

15 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2015~~  
16 ~~Supp. 72-6464~~ section 2, and amendments thereto;

17 (g) "counsel" means any person a pupil selects to represent and  
18 advise the pupil at all proceedings conducted pursuant to the provisions of  
19 this act; and

20 (h) "principal witness" means any witness whose testimony is of  
21 major importance in support of the charges upon which a proposed  
22 suspension or expulsion from school is based, or in determination of  
23 material questions of fact.

24 Sec. 43. On and after July 1, 2017, K.S.A. 2015 Supp. 72-99a02 is  
25 hereby amended to read as follows: 72-99a02. As used in the tax credit for  
26 low income students scholarship program act:

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

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

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

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

37 (1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,  
38 prior to its repeal, and who is attending a public school; or (B) has been  
39 eligible to receive an educational scholarship under this program and has  
40 not graduated from high school or reached 21 years of age;

41 (2) resides in Kansas while eligible for an educational scholarship;  
42 and

43 (3) (A) was enrolled in any public school in the previous school year

1 in which an educational scholarship is first sought for the child; or (B) is  
2 eligible to be enrolled in any public school in the school year in which an  
3 educational scholarship is first sought for the child and the child is under  
4 the age of six years.

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

7 (f) "Program" means the tax credit for low income students  
8 scholarship program established in K.S.A. 2015 Supp. 72-99a01 through  
9 72-99a07, and amendments thereto.

10 (g) "Public school" means a school that would qualify as either a title  
11 I focus school or a title I priority school as described by the state board  
12 under the elementary and secondary education act flexibility waiver as  
13 amended in January 2013 and is operated by a school district.

14 (h) "Qualified school" means any nonpublic school that provides  
15 education to elementary or secondary students, has notified the state board  
16 of its intention to participate in the program and complies with the  
17 requirements of the program.

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

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

24 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~  
25 ~~2015 Supp. 72-6464~~ section 2, and amendments thereto.

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

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

28 Sec. 44. On and after July 1, 2017, K.S.A. 2015 Supp. 74-4939a is  
29 hereby amended to read as follows: 74-4939a. On and after the effective  
30 date of this act for each fiscal year commencing with fiscal year 2005,  
31 notwithstanding the provisions of K.S.A. 74-4939, and amendments  
32 thereto, or any other statute, all moneys appropriated for the department of  
33 education from the state general fund commencing with fiscal year 2005,  
34 and each ensuing fiscal year thereafter, by appropriation act of the  
35 legislature, in the KPERS — employer contributions account and all  
36 moneys appropriated for the department of education from the state  
37 general fund or any special revenue fund for each fiscal year commencing  
38 with fiscal year 2005, and each ensuing fiscal year thereafter, by any such  
39 appropriation act in that account or any other account for payment of  
40 employer contributions for school districts, shall be distributed by the  
41 department of education to school districts in accordance with this section.  
42 Notwithstanding the provisions of K.S.A. 74-4939, and amendments  
43 thereto, the department of education shall disburse to each school district

1 that is an eligible employer as specified in K.S.A. 74-4931(1), and  
2 amendments thereto, an amount ~~in accordance with K.S.A. 2015 Supp.~~  
3 ~~72-6465(a)(6), and amendments thereto, which shall be disbursed pursuant~~  
4 ~~to K.S.A. 2015 Supp. 72-6465, and amendments thereto certified by the~~  
5 *board of trustees of the Kansas public employees retirement system which*  
6 *is equal to the participating employer's obligation of such school district*  
7 *to the system in accordance with policies and procedures which are hereby*  
8 *authorized and directed to be adopted by the department of education for*  
9 *the purposes of this section and in accordance with any requirements*  
10 *prescribed by the board of trustees of the Kansas public employees*  
11 *retirement system.* Upon receipt of each such disbursement of moneys, the  
12 school district shall deposit the entire amount thereof into a special  
13 retirement contributions fund of the school district, which shall be  
14 established by the school district in accordance with such policies and  
15 procedures and which shall be used for the sole purpose of receiving such  
16 disbursements from the department of education and making the  
17 remittances to the system in accordance with this section and such policies  
18 and procedures. Upon receipt of each such disbursement of moneys from  
19 the department of education, the school district shall remit, in accordance  
20 with the provisions of such policies and procedures and in the manner and  
21 on the date or dates prescribed by the board of trustees of the Kansas  
22 public employees retirement system, an equal amount to the Kansas public  
23 employees retirement system from the special retirement contributions  
24 fund of the school district to satisfy such school district's obligation as a  
25 participating employer. Notwithstanding the provisions of K.S.A. 74-4939,  
26 and amendments thereto, each school district that is an eligible employer  
27 as specified in K.S.A. 74-4931(1), and amendments thereto, shall show  
28 within the budget of such school district all amounts received from  
29 disbursements into the special retirement contributions fund of such school  
30 district. Notwithstanding the provisions of any other statute, no official  
31 action of the school board of such school district shall be required to  
32 approve a remittance to the system in accordance with this section and  
33 such policies and procedures. All remittances of moneys to the system by a  
34 school district in accordance with this subsection and such policies and  
35 procedures shall be deemed to be expenditures of the school district.

36 Sec. 45. On and after July 1, 2017, K.S.A. 2015 Supp. 74-8925 is  
37 hereby amended to read as follows: 74-8925. (a) For the purposes of this  
38 act, the term "taxing subdivision" shall include the county, the city, the  
39 unified school district and any other taxing subdivision levying real  
40 property taxes, the territory or jurisdiction of which includes any currently  
41 existing or subsequently created redevelopment district. The term "real  
42 property taxes" includes all taxes levied on an ad valorem basis upon land  
43 and improvements thereon, other than the property tax levied pursuant to

1 the provisions of ~~K.S.A. 2015 Supp. 72-6470~~ *section 10*, and amendments  
2 thereto, or any other property tax levied by or on behalf of a school  
3 district.

4 (b) All tangible taxable property located within a redevelopment  
5 district shall be assessed and taxed for ad valorem tax purposes pursuant to  
6 law in the same manner that such property would be assessed and taxed if  
7 located outside such district, and all ad valorem taxes levied on such  
8 property shall be paid to and collected by the county treasurer in the same  
9 manner as other taxes are paid and collected. Except as otherwise provided  
10 in this section, the county treasurer shall distribute such taxes as may be  
11 collected in the same manner as if such property were located outside a  
12 redevelopment district. Each redevelopment district established under the  
13 provisions of this act shall constitute a separate taxing unit for the purpose  
14 of the computation and levy of taxes.

15 (c) Beginning with the first payment of taxes which are levied  
16 following the date of approval of any redevelopment district established  
17 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes  
18 received by the county treasurer resulting from taxes which are levied  
19 subject to the provisions of this act by and for the benefit of a taxing  
20 subdivision, as herein defined, on property located within such  
21 redevelopment district constituting a separate taxing unit under the  
22 provisions of this section, shall be divided as follows:

23 (1) From the taxes levied each year subject to the provisions of this  
24 act by or for each of the taxing subdivisions upon property located within a  
25 redevelopment district constituting a separate taxing unit under the  
26 provisions of this act, the county treasurer first shall allocate and pay to  
27 each such taxing subdivision all of the real property taxes collected which  
28 are produced from that portion of the current assessed valuation of such  
29 real property located within such separate taxing unit which is equal to the  
30 total assessed value of such real property on the date of the establishment  
31 of the redevelopment district.

32 (2) Any real property taxes produced from that portion of the current  
33 assessed valuation of real property within the redevelopment district  
34 constituting a separate taxing unit under the provisions of this section in  
35 excess of an amount equal to the total assessed value of such real property  
36 on the effective date of the establishment of the district shall be allocated  
37 and paid by the county treasurer according to specified percentages of the  
38 tax increment expressly agreed upon and consented to by the governing  
39 bodies of the county and school district in which the redevelopment  
40 district is located. The amount of the real property taxes allocated and  
41 payable to the authority under the agreement shall be paid by the county  
42 treasurer to the treasurer of the state. The remaining amount of the real  
43 property taxes not payable to the authority shall be allocated and paid in

1 the same manner as other ad valorem taxes. Any real property taxes paid to  
2 the state treasurer under this section shall be deposited in the  
3 redevelopment bond finance fund of the authority which is created  
4 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of  
5 any approved redevelopment project, including the payment of principal of  
6 and interest on any bonds issued by the authority to finance, in whole or in  
7 part, such project. When such bonds and interest thereon have been paid,  
8 all moneys thereafter received from real property taxes within such  
9 redevelopment district shall be allocated and paid to the respective taxing  
10 subdivisions in the same manner as are other ad valorem taxes. If such  
11 bonds and interest thereon have been paid before the completion of a  
12 project, the authority may continue to use such moneys for any purpose  
13 authorized by the redevelopment agreement until such time as the project  
14 costs are paid or reimbursed, but for a period not to exceed the final  
15 scheduled maturity of the bonds.

16 (d) In any redevelopment plan or in the proceedings for the issuing of  
17 any bonds by the authority to finance a project, the property tax increment  
18 portion of taxes provided for in subsection (c)(2) may be irrevocably  
19 pledged for the payment of the principal of and interest on such bonds. The  
20 authority may adopt a redevelopment plan in which only a specified  
21 percentage of the tax increment realized from taxpayers in the  
22 redevelopment district is pledged to the payment of costs.

23 Sec. 46. On and after July 1, 2017, K.S.A. 2015 Supp. 74-99b43 is  
24 hereby amended to read as follows: 74-99b43. (a) The Kansas  
25 development finance authority is hereby authorized to issue special  
26 obligation bonds pursuant to K.S.A. 74-8901 et seq., and amendments  
27 thereto, in one or more series to finance the undertaking of any bioscience  
28 development project in accordance with the provisions of this act. No  
29 special obligation bonds may be issued pursuant to this section unless the  
30 Kansas development finance authority has received a resolution of the  
31 board of the authority requesting the issuance of such bonds. Such special  
32 obligation bonds shall be made payable, both as to principal and interest  
33 from one or more of the following, as directed by the authority:

34 (1) From ad valorem tax increments allocated to, and paid into the  
35 bioscience development bond fund for the payment of the project costs of  
36 a bioscience development project under the provisions of this section;

37 (2) from any private sources, contributions or other financial  
38 assistance from the state or federal government;

39 (3) from a pledge of a portion or all of the revenue received from  
40 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et  
41 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments  
42 thereto, and which are collected from taxpayers doing business within that  
43 portion of the bioscience development district and paid into the bioscience

1 development bond fund;

2 (4) from a pledge of a portion or all increased revenue received by  
3 any city from franchise fees collected from utilities and other businesses  
4 using public right-of-way within the bioscience development district; or

5 (5) by any combination of these methods.

6 (b) All tangible taxable property located within a bioscience  
7 development district shall be assessed and taxed for ad valorem tax  
8 purposes pursuant to law in the same manner that such property would be  
9 assessed and taxed if located outside such district, and all ad valorem taxes  
10 levied on such property shall be paid to and collected by the county  
11 treasurer in the same manner as other taxes are paid and collected. Except  
12 as otherwise provided in this section, the county treasurer shall distribute  
13 such taxes as may be collected in the same manner as if such property  
14 were located outside a bioscience development district. Each bioscience  
15 development district established under the provisions of this act shall  
16 constitute a separate taxing unit for the purpose of the computation and  
17 levy of taxes.

18 (c) Beginning with the first payment of taxes which are levied  
19 following the date of the establishment of the bioscience development  
20 district real property taxes received by the county treasurer resulting from  
21 taxes which are levied subject to the provisions of this act by and for the  
22 benefit of a taxing subdivision, as defined in K.S.A. 2015 Supp. 12-1770a,  
23 and amendments thereto, on property located within such bioscience  
24 development district constituting a separate taxing unit under the  
25 provisions of this section, shall be divided as follows:

26 (1) From the taxes levied each year subject to the provisions of this  
27 act by or for each of the taxing subdivisions upon property located within a  
28 bioscience development district constituting a separate taxing unit under  
29 the provisions of this act, the county treasurer first shall allocate and pay to  
30 each such taxing subdivision all of the real property taxes collected which  
31 are produced from the base year assessed valuation.

32 (2) Any real property taxes, except for property taxes levied for  
33 schools pursuant to ~~K.S.A. 2015 Supp. 72-6470 section 10~~, and  
34 amendments thereto, produced from that portion of the current assessed  
35 valuation of real property within the bioscience development district  
36 constituting a separate taxing unit under the provisions of this section in  
37 excess of the base year assessed valuation shall be allocated and paid by  
38 the county treasurer to the bioscience development bond fund to pay the  
39 bioscience development project costs including the payment of principal  
40 and interest on any special obligation bonds to finance, in whole or in part,  
41 such bioscience development projects.

42 (d) The authority may pledge the bioscience development bond fund  
43 or other available revenue to the repayment of such special obligation

1 bonds prior to, simultaneously with, or subsequent to the issuance of such  
2 special obligation bonds.

3 (e) Any bonds issued under the provisions of this act and the interest  
4 paid thereon, unless specifically declared to be taxable in the authorizing  
5 resolution of the Kansas development finance authority, shall be exempt  
6 from all state, county and municipal taxes, and the exemption shall include  
7 income, estate and property taxes.

8 Sec. 47. On and after July 1, 2017, K.S.A. 2015 Supp. 79-201x is  
9 hereby amended to read as follows: 79-201x. For taxable years ~~2015~~ 2017  
10 and ~~2016~~ 2018, the following described property, to the extent herein  
11 specified, shall be and is hereby exempt from the property tax levied  
12 pursuant to the provisions of ~~K.S.A. 2015 Supp. 72-6470~~ section 10, and  
13 amendments thereto: Property used for residential purposes to the extent of  
14 \$20,000 of its appraised valuation.

15 Sec. 48. On and after July 1, 2017, K.S.A. 2015 Supp. 79-2001 is  
16 hereby amended to read as follows: 79-2001. (a) As soon as the county  
17 treasurer receives the tax roll of the county, the treasurer shall enter in a  
18 column opposite the description of each tract or parcel of land the amount  
19 of unpaid taxes and the date of unredeemed sales, if any, for previous years  
20 on such land. The treasurer shall cause a notice to be published in the  
21 official county paper once each week for three consecutive weeks, stating  
22 in the notice the amount of taxes charged for state, county, township,  
23 school, city or other purposes for that year, on each \$1,000 of valuation.

24 (b) Each year after receipt of the tax roll from the county clerk and  
25 before December 15, the treasurer shall mail to each taxpayer, as shown by  
26 the rolls, a tax statement which indicates the taxing unit, assessed value of  
27 real and personal property, the mill levy and tax due. In addition, with  
28 respect to land devoted to agricultural use, such statement shall indicate  
29 the acreage and description of each parcel of such land. The tax statement  
30 shall also indicate separately each parcel of real property which is  
31 separately classified for property tax purposes. The county appraiser shall  
32 provide the information necessary for the county treasurer to comply with  
33 the provisions of this section. The tax statement also may include the  
34 intangible tax due the county. All items may be on one statement or may  
35 be shown on separate statements and may be on a form prescribed by the  
36 county treasurer. The statement shall be mailed to the last known address  
37 of the taxpayer or to a designee authorized by the taxpayer to accept the  
38 tax statement, if the designee has an interest in receiving the statement.  
39 When any statement is returned to the county treasurer for failure to find  
40 the addressee, the treasurer shall make a diligent effort to find a  
41 forwarding address of the taxpayer and mail the statement to the new  
42 address. All tax statements mailed pursuant to this section shall be mailed  
43 by first-class mail. The requirement for mailing a tax statement shall

1 extend only to the initial statement required to be mailed in each year and  
2 to any follow-up required by this section.

3 (c) For tax year 1998, and all tax years thereafter, after receipt of the  
4 tax roll from the county clerk and before December 15, the treasurer shall  
5 mail to each taxpayer, as shown by the tax rolls, a tax information form  
6 which indicates the taxing unit, assessed value of real property for the  
7 current and next preceding taxable year, the mill levy for the current and  
8 next preceding taxable year and, in the case of unified school districts, the  
9 mill levy required by ~~K.S.A. 2015 Supp. 72-6470 section 10~~, and  
10 amendments thereto, shall be separately indicated, the tax due and an  
11 itemization of each taxing unit's mill levy for the current and next  
12 preceding taxable year and the percentage change in the amount of  
13 revenue produced therefrom, if any. In addition, with respect to land  
14 devoted to agricultural use, such form shall indicate the acreage and  
15 description of each parcel of such land. The tax information form shall  
16 also indicate separately each parcel of real property which is separately  
17 classified for property tax purposes. The county appraiser shall provide the  
18 information necessary for the county treasurer to comply with the  
19 provisions of this section. The tax information form may be separate from  
20 the tax statement or a part of the tax statement. The tax information form  
21 shall be in a format prescribed by the director of property valuation. The  
22 tax information form shall be mailed to the last known address of the  
23 taxpayer. When a tax information form is returned to the county treasurer  
24 for failure to find the addressee, the treasurer shall make a diligent effort to  
25 find a forwarding address of the taxpayer and mail the tax information  
26 form to the new address. All tax information forms mailed pursuant to this  
27 section shall be mailed by first class mail.

28 Sec. 49. On and after July 1, 2017, K.S.A. 2015 Supp. 79-2925b is  
29 hereby amended to read as follows: 79-2925b. (a) Without a majority vote  
30 so providing, the governing body of any municipality shall not approve  
31 any appropriation or budget, as the case requires, which may be funded by  
32 revenue produced from property taxes, and which provides for funding  
33 with such revenue in an amount exceeding that of the next preceding year,  
34 adjusted to reflect changes in the consumer price index for all urban  
35 consumers as published by the United States department of labor for the  
36 preceding calendar year. If the total tangible property valuation in any  
37 municipality increases from the next preceding year due to increases in the  
38 assessed valuation of existing tangible property and such increase exceeds  
39 changes in the consumer price index, the governing body shall lower the  
40 amount of ad valorem tax to be levied to the amount of ad valorem tax  
41 levied in the next preceding year, adjusted to reflect changes in the  
42 consumer price index. This subsection shall not apply to ad valorem taxes  
43 levied under K.S.A. 76-6b01 and 76-6b04 and ~~K.S.A. 2015 Supp. 72-6470~~

1 *section 10*, and amendments thereto, and any other ad valorem tax levy  
2 which was previously approved by the voters of such municipality. Except  
3 as provided in subsection (g), notwithstanding the requirements of this  
4 subsection, nothing herein shall prohibit a municipality from increasing  
5 the amount of ad valorem tax to be levied if the municipality approves the  
6 increase with a majority vote of the governing body by the adoption of a  
7 resolution and publishes such vote as provided in subsection (c).

8 (b) Revenue that, in the current year, is produced and attributable to  
9 the taxation of:

- 10 (1) New improvements to real property;
- 11 (2) increased personal property valuation, other than increased  
12 valuation of oil and gas leaseholds and mobile homes;
- 13 (3) property located within added jurisdictional territory; or
- 14 (4) property which has changed in use shall not be considered when  
15 determining whether revenue produced from property has increased from  
16 the next preceding year.

17 (c) In the event the governing body votes to approve any  
18 appropriation or budget, as the case requires, which may be funded by  
19 revenue produced from property taxes, and which provides for funding  
20 with such revenue in an amount exceeding that of the next preceding year  
21 as provided in subsection (a), notice of such vote shall be published in the  
22 official county newspaper of the county where such municipality is  
23 located.

24 (d) The provisions of this section shall be applicable to all fiscal and  
25 budget years commencing on and after the effective date of this act.

26 (e) The provisions of this section shall not apply to revenue received  
27 from property tax levied for the sole purpose of repayment of the principal  
28 of and interest upon bonded indebtedness, temporary notes and no-fund  
29 warrants.

30 (f) For purposes of this section, "municipality" means any political  
31 subdivision of the state which levies an ad valorem tax on property and  
32 includes, but is not limited to, any county, township, municipal university,  
33 school district, community college, drainage district or other taxing  
34 district. "Municipality" shall not include any such political subdivision or  
35 taxing district which receives \$1,000 or less in revenue from property  
36 taxes in the current year.

37 (g) On and after January 1, 2018: (1) In the case of cities and  
38 counties, any resolution by the governing body otherwise required by this  
39 section to adopt any appropriation or budget which provides for funding  
40 by property tax revenue in an amount exceeding that of the next preceding  
41 year as adjusted pursuant to subsection (a) to reflect changes in the  
42 consumer price index, shall not become effective unless such resolution  
43 has been submitted to and approved by a majority of the qualified electors

1 of the city or county voting at an election called and held thereon, except  
2 as otherwise provided. The election shall be called and held in the manner  
3 provided by K.S.A. 10-120, and amendments thereto, at the next regularly  
4 scheduled election to be held in August or November, or may be a mail  
5 ballot election, conducted in accordance with K.S.A. 25-431 et seq., and  
6 amendments thereto, or may be a special election called by the city or  
7 county. Nothing in this subsection shall prevent any city or county from  
8 holding more than one election in any year.

9 (2) A resolution by the governing body of a city or county otherwise  
10 required by the provisions of this section shall not be required to be  
11 approved by an election required by subsection (g)(1) under the following  
12 circumstances:

13 (A) The increase in the amount of ad valorem tax to be levied that is  
14 greater than the change in the consumer price index is due to:

15 (i) Costs for new infrastructure or improvements to existing  
16 infrastructure to support new improvements to property exempt from  
17 property taxation pursuant to the provisions of K.S.A. 79-201 et seq., and  
18 amendments thereto, such as hospitals, schools and churches, or exempt  
19 additions to or improvements to property so exempt from property  
20 taxation;

21 (ii) bond and interest payments;

22 (iii) an increase in property subject to taxation as the result of the  
23 expiration of any abatement of property from property tax;

24 (iv) increases in road construction costs when such construction has  
25 been once approved by a resolution of the governing body of the city or  
26 county;

27 (v) special assessments;

28 (vi) judgments levied against the city or county or expenses for legal  
29 counsel and for defense of legal actions against the city or county or  
30 officers of the city or county;

31 (vii) new expenditures that are specifically mandated by federal or  
32 state law; or

33 (viii) an increase in property subject to taxation as the result of new  
34 construction;

35 (B) the assessed valuation has declined in one or more of the next  
36 preceding three calendar years and the increase in the amount of funding  
37 for the budget or appropriation from revenue produced from property taxes  
38 does not exceed the average amount of funding from such revenue of the  
39 next preceding three calendar years, adjusted to reflect changes in the  
40 consumer price index for all urban consumers as published by the United  
41 States department of labor for the preceding calendar year; or

42 (C) the increase in the amount of ad valorem tax to be levied is less  
43 than the change in the consumer price index plus the loss of assessed

1 property valuation that has occurred as the result of legislative action,  
2 judicial action or a ruling by the board of tax appeals.

3 Sec. 50. On and after July 1, 2017, K.S.A. 2015 Supp. 10-1116a, 12-  
4 1770a, 12-1775a, 72-1046b, 72-1398, 72-1414, 72-1923, 72-5333b, 72-  
5 6463, 72-6464, 72-6465, 72-6466, 72-6467, 72-6468, 72-6469, 72-6470,  
6 72-6471, 72-6472, 72-6473, 72-6474, 72-6475, 72-6476, 72-6477, 72-  
7 6478, 72-6479, 72-6480, 72-6481, 72-64b01, 72-64c03, 72-64c05, 72-  
8 6624, 72-6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8230, 72-8233,  
9 72-8236, 72-8251, 72-8316, 72-8415b, 72-8804, 72-8908, 72-99a02, 74-  
10 4939a, 74-8925, 74-99b43, 79-201x, 79-2001 and 79-2925b are hereby  
11 repealed.

12 Sec. 51. This act shall take effect and be in force from and after its  
13 publication in the statute book.