

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT:

The Committee on **Select Education Finance** recommends **SB 422** be amended on page 1, in line 9, by striking "shall" and inserting "may"; by striking all in line 10; in line 11, by striking all before the period and inserting "that does not exceed the state prescribed percentage"; in line 24, after "(b)" by inserting "Subject to the limitations of subsection (a), in each school year, the board of education of a school district may adopt, by resolution, a local option budget in an amount that does not exceed:

(1) The amount that the board was authorized to adopt under any resolution adopted pursuant to K.S.A. 2017 Supp. 72-6471, prior to July 1, 2017; or

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

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

(c)";

Also on page 1, in line 25, by striking "required" and inserting "authorized"; in line 26, by striking "(a)" and inserting "(b)";

On page 2, in line 38, after the stricken material by inserting "The board of any school district that is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any school district whose authority to adopt a local option budget is not continuous and permanent refrains

from adopting a local option budget, the authority of such school district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget.";

On page 3, in line 33, by striking all after "(2)"; by striking all in lines 34 through 41; in line 42, by striking "(3)"; in line 43, by striking "(4)" and inserting "(3)";

On page 4, following line 30, by inserting:

"(j) Each year, the state board shall determine the state-wide average percentage of local option budgets legally adopted by school districts for the preceding school year.";

Also on page 4, following line 35, by inserting:

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

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

On page 5, following line 39, by inserting:

"Sec. 3. K.S.A. 2017 Supp. 72-5151 is hereby amended to read as follows: 72-5151. (a) The at-risk student weighting of each school district shall be determined by the state board as follows:

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

(2) ~~for a school district with an enrollment that consists of 10% or more at-risk students,~~ multiply the number determined under subsection (a)(1) by 0.484. The resulting sum is the at-risk student weighting of the school district; ~~or~~

(3) ~~for a school district with an enrollment that consists of less than 10% at-risk students,~~ multiply the number of students equal to 10% of such school district's enrollment by 0.484. The resulting sum is the at-risk student weighting of the school district. A school district whose at-risk student weighting is determined pursuant to this paragraph shall submit a report to the state board in

~~such form and manner as required by the state board that identifies those students enrolled in such school district who are receiving at-risk program services and the criteria each such student satisfies in order to receive at-risk program services. The state board shall adopt rules and regulations that establish the criteria for eligibility for at-risk program services. The provisions of this paragraph shall only apply to those school districts that offer instruction in kindergarten and grades one through 12.~~

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

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

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

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

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

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

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

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

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

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

(B) if the enrollment of a school in the school district is 50% or more at-risk students,

multiply the number of at-risk students included in the enrollment of such school by 0.105; and

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

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

(4) Commencing in school year 2018-2019, school districts that qualify to receive the high-density at-risk weighting pursuant to this section shall spend any money attributable to the school district's high-density at-risk weighting on the at-risk best practices developed by the state board pursuant to K.S.A. 2017 Supp. 72-5153(d), and amendments thereto. If a school district that qualifies for the high-density at-risk weighting does not spend such money on such best practices, the state board shall notify the school district that it shall either spend such money on such best practices or shall show improvement within five years of notification. Improvement shall include, but not be limited to, the following: (A) The percentage of students at grade level on state math and English language arts assessments; (B) the percentage of students that are college and career ready on state math and English language arts assessments; (C) the average composite ACT score; or (D) the four-year graduation rate. If a school district does not spend such money on such best practices and does not show improvement within five years, the school district shall not qualify to receive the high-density at-risk weighting in the succeeding school year.

(5) The provisions of this subsection shall expire on July 1, 2019.

Sec. 4. K.S.A. 2017 Supp. 72-53,113 is hereby amended to read as follows: 72-53,113. (a) The board of education of any school district may make an annual tax levy at a mill rate not to exceed the statutorily prescribed mill rate upon the taxable tangible property in the school district for the purposes specified in this act and, with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the

principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. No levy shall be made under this act until a resolution is adopted by the board of education in the following form:

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

RESOLUTION

Be It Resolved that:

The above-named school board shall be authorized to make an annual tax levy in an amount not to exceed _____ mills upon the taxable tangible property in the school district for the purpose of acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Computer software; (2) performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board; (4) architectural expenses; (5) building sites; (6) undertaking and maintenance of asbestos control projects; (7) school buses; and (8) utility expenses; ~~(9) property and casualty insurance; and (10) other fixed assets,~~ and with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. The tax levy authorized by this resolution may be made, unless a petition in opposition to the same, signed by not less than 10% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 40 calendar days after the last publication of this resolution. In the event a petition is filed, the county election officer shall submit the question of whether the tax levy shall be authorized to the electors in

the school district at an election called for that purpose or at the next general election, as is specified by the board of education of the above school district.

CERTIFICATE

This is to certify that the above resolution was duly adopted by the board of education of Unified School District No. _____, _____ County, Kansas, on the ____ day of _____, _____.

Clerk of the board of education.

All of the blanks in the above resolution shall be appropriately filled. The blank preceding the word "mills" shall be filled with a specific number. The resolution shall be published once a week for two consecutive weeks in a newspaper having general circulation in the school district. If no petition as specified above is filed in accordance with the provisions of the resolution, the board of education may make the tax levy specified in the resolution. If a petition is filed as provided in the resolution, the board of education may notify the county election officer of the date of an election to be held to submit the question of whether the tax levy shall be authorized. If the board of education fails to notify the county election officer within 60 calendar days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board of education within the nine months following the first publication of the resolution.

(b) As used in this act:

(1) "Unconditionally authorized to make a capital outlay tax levy" means that the school district has adopted a resolution under this section, has published the same, and either that the resolution was not protested or that it was protested and an election has been held by which the tax levy specified in the resolution was approved;

(2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the mill levy rate in excess of

eight mills if the resolution fixing such rate was approved at an election prior to the effective date of this act; or (C) the mill levy rate in excess of eight mills if no petition or no sufficient petition was filed in protest to a resolution fixing such rate in excess of eight mills and the protest period for filing such petition has expired;

(3) "asbestos control project" means any activity which is necessary or incidental to the control of asbestos-containing material in buildings of school districts and includes, but not by way of limitation, any activity undertaken for the removal or encapsulation of asbestos-containing material, for any remodeling, renovation, replacement, rehabilitation or other restoration necessitated by such removal or encapsulation, for conducting inspections, reinspections and periodic surveillance of buildings, performing response actions, and developing, implementing and updating operations and maintenance programs and management plans;

(4) "asbestos" means the asbestiform varieties of chrysotile (serpentine), crocidolite (riebeckite), amosite (cummingtonitegrunerite), anthophyllite, tremolite, and actinolite; and

(5) "asbestos-containing material" means any material or product which contains more than 1% asbestos.

Sec. 5. K.S.A. 2017 Supp. 72-53,116 is hereby amended to read as follows: 72-53,116. (a) Any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 2017 Supp. 72-53,117 or 72-53,122, and amendments thereto, may be used for the purpose of the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Computer software; (2) performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board of education; (4) architectural expenses; (5) building sites; (6) undertaking and maintenance of asbestos control projects; (7) school buses; and (8) utility expenses; ~~(9) property and casualty insurance; and (10) other fixed assets.~~

(b) The board of education of any school district is hereby authorized to invest any portion of the capital outlay fund of the school district which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein, or may invest the same in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the capital outlay fund.";

Also on page 5, in line 40, by striking "and" and inserting a comma; also in line 40, after "72-5145" by inserting ", 72-5151, 72-53,113 and 72-53,116";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, by striking "relating to"; in line 3, after the semicolon by inserting "at-risk weighting; capital outlay;"; also in line 3, by striking the first "and" and inserting a comma; also in line 3, after "72-5145" by inserting ", 72-5151, 72-53,113 and 72-53,116"; and the bill be passed as amended.

Chairperson