

HOUSE BILL No. 2253

By Representative Mason

2-7

AN ACT concerning school districts; relating to disorganization and consolidation thereof; imposing certain duties on the state board of education.

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

Section 1. (a) Commencing on July 1, 2003, the state board of education shall conduct a study of all districts having 400 or under enrollment and less than 200 square miles of territory. In conducting the study, the state board shall give careful consideration to: District enrollment and enrollment trends; educational program offerings and support services; number and type of personnel employed; pupil/teacher ratios; teacher/administrator ratios; general fund budget and general fund budget per pupil; assessed valuation and assessed valuation per pupil; mill levy rates; bonded debt; capital investment and capital needs; number, condition and utilization of school facilities; school transportation including costs, routes, roads, terrain and topography; square miles of territory and number of pupils per square mile; social and economic characteristics and needs of district residents. Upon completion of the study, the state board shall analyze all information and data concerning each district studied and determine the reasons for the low enrollment of each such district. If the state board determines that the reasons for low enrollment of any district are not the result of unique circumstances over which the district has no control, that disorganization of the district and attachment of its territory to one or more adjoining districts would not result in harm to or imposition of extreme hardship on the pupils and other residents of the district, and that such disorganization and attachment would generally improve the educational system of the state, equalize the benefits and burdens of education throughout the various communities in the state, enhance the organization of school districts of the state so as to provide for a thorough and uniform system of public schools, and result in a wiser and more equitable use of public funds expended for the support of the public school system of the state, the state board shall issue an order disorganizing the district as of July 1, 2004, and attaching the territory of the district to one or more adjoining districts. If, prior to July 1, 2004, any such district has entered into an agreement for consolidation with another

1 district in accordance with law and such agreement has been approved
2 by the state board, but the election for approval thereof has not been
3 conducted, no order shall be issued under the provisions of this section
4 if such consolidation agreement is approved at election, but if such con-
5 solidation agreement is not approved at election the state board shall issue
6 the order required under this section to disorganize the district.

7 (b) All disorganizations of districts under this section shall be effective
8 for school instruction and attendance purposes on July 1, 2004.

9 (c) Upon mutual agreement of any employee of a disorganized dis-
10 trict and the board of education of any district to which territory of the
11 disorganized district is attached, such employee shall become an em-
12 ployee of the board of education. The contract of any such employee shall
13 be mutually agreed to by the board and the employee. All such employees
14 shall retain all retirement benefits which had accrued to or vested in such
15 employees prior to July 1, 2004.

16 (d) Districts to which the territory of any disorganized district is at-
17 tached shall include, for the purpose of taxation, the territory so attached
18 as of December 31, 2003. For the purpose of budgeting and the purposes
19 specified in K.S.A. 10-119, and amendments thereto, disorganizations of
20 districts and attachments of territory thereof to other districts shall be
21 effective for budgets and tax levies to be certified in August, 2004. For
22 the purpose of elections, disorganizations of districts and attachments of
23 territory thereof to other districts shall be effective at the first district
24 elections occurring after July 1, 2004.

25 (e) The order of the state board to disorganize a district shall specify
26 the disposition of property, records and all moneys, on hand and to be
27 collected, of the district being disorganized. Lawful indebtedness of dis-
28 tricts being disorganized, exclusive of indebtedness for bonds, no-fund
29 warrants or special assessments, shall be assumed and paid by the districts
30 to which territory of such disorganized districts is attached in the pro-
31 portion that the assessed valuation of the disorganized districts was di-
32 vided. Indebtedness for bonds, no-fund warrants or special assessments
33 shall remain a charge upon the territory of disorganized districts in ac-
34 cordance with the applicable provisions of K.S.A. 10-119, and amend-
35 ments thereto.

36 (f) The proceeds of any bonds of any disorganized district, which
37 proceeds are not encumbered by contractual obligations of such district,
38 shall be transferred to and deposited in a special fund in the office of the
39 county treasurer of the home county of the district being disorganized on
40 July 1, 2004. All moneys in any such fund shall be appropriated and used
41 by such county treasurer to pay the principal, interest, and other charges
42 on the bonds from which such moneys were produced, and the tax levy
43 provided for under chapter 10 of Kansas Statutes Annotated for payment

1 of such principal, interest, and other charges shall be reduced accordingly,
2 so long as there remains a balance in such fund. Such county treasurer
3 shall make a levy in accordance with chapter 10 of Kansas Statutes An-
4 notated on the taxable tangible property in the territory of the disorgan-
5 ized district to pay the principal, interest, and other charges on any such
6 bonds to the extent not paid from bond proceeds as provided above. Any
7 such bond proceeds shall be invested by the county treasurer in accord-
8 ance with K.S.A. 10-131, and amendments thereto, to the extent not
9 needed for current payment of principal, interest, and other charges on
10 such bonds, and the interest on such investments shall be deposited in
11 such special fund with such bond proceeds and shall be used for the same
12 purpose.

13 (g) The state board may make and issue amendatory or supplemen-
14 tary orders at any time after issuance of initial orders under this section
15 to correct errors, supply detail, clarify or complete any disorganization or
16 attachment under authority of this section.

17 Sec. 2. This act shall take effect and be in force from and after its
18 publication in the statute book.

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