

(Corrected)

*As Amended by Senate Committee*

Session of 2007

**SENATE BILL No. 143**

By Committee on Education

1-22

10 AN ACT concerning school districts; relating to school finance; relating  
11 to local option budgets; amending K.S.A. 2006 Supp. 72-6433 and  
12 repealing the existing section.  
13

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

15 Section 1. K.S.A. 2006 Supp. 72-6433 is hereby amended to read as  
16 follows: 72-6433. ~~(a) (1) The board of any district may adopt a local option~~  
17 ~~budget in each school year in an amount not to exceed an amount equal~~  
18 ~~to the district prescribed percentage of the amount of state financial aid~~  
19 ~~determined for the district in the school year. As used in this section,~~  
20 ~~“district prescribed percentage” means:~~

21 ~~—(A) For any district that was authorized to adopt and that adopted a~~  
22 ~~local option budget in the 1996-97 school year and to which the provisions~~  
23 ~~of K.S.A. 72-6444, and amendments thereto, do not apply in the current~~  
24 ~~school year, in the 2001-02 school year and in each school year thereafter,~~  
25 ~~a percentage that is equal to 80% of the percentage specified in the res-~~  
26 ~~olution under which the district was authorized to adopt a local option~~  
27 ~~budget in the 1996-97 school year;~~

28 ~~—(B) for any district that was authorized to adopt and that adopted a~~  
29 ~~local option budget in the 1996-97 school year and to which the provisions~~  
30 ~~of K.S.A. 72-6444, and amendments thereto, apply in the current school~~  
31 ~~year, a percentage in the 2001-02 school year and each school year there-~~  
32 ~~after that is equal to the sum of the percentage of the amount of state~~  
33 ~~financial aid the district was authorized to budget in the preceding school~~  
34 ~~year and the percentage computed for the district by the state board~~  
35 ~~under the provisions of K.S.A. 72-6444, and amendments thereto;~~

36 ~~—(C) for any district that was not authorized to adopt a local option~~  
37 ~~budget in the 1996-97 school year and to which the provisions of K.S.A.~~  
38 ~~72-6444, and amendments thereto, apply in the current school year, a~~  
39 ~~percentage in the 2001-02 school year and each school year thereafter~~  
40 ~~that is equal to the sum of the percentage of the amount of state financial~~  
41 ~~aid the district was authorized to budget in the preceding school year and~~  
42 ~~the percentage computed for the district by the state board under the~~  
43 ~~provisions of K.S.A. 72-6444, and amendments thereto;~~

1 —(D) for any district to which the provisions of K.S.A. 72-6444, and  
2 amendments thereto, applied in the 1997-98 school year and to which  
3 the provisions of K.S.A. 72-6444, and amendments thereto, do not apply  
4 in the current school year because an increase in the amount budgeted  
5 by the district in its local option budget as authorized by a resolution  
6 adopted under the provisions of subsection (b) causes the actual amount  
7 per pupil budgeted by the district in the preceding school year as deter-  
8 mined for the district under provision (1) of subsection (a) of K.S.A. 72-  
9 6444, and amendments thereto, to equal or exceed the average amount  
10 per pupil of general fund budgets and local option budgets computed by  
11 the state board under whichever of the provisions (7) through (10) of  
12 subsection (a) of K.S.A. 72-6444, and amendments thereto, is applicable  
13 to the district's enrollment group, a percentage that is equal to the per-  
14 centage of the amount of state financial aid the district was authorized to  
15 budget in the preceding school year if the resolution authorized the dis-  
16 trict to increase its local option budget on a continuous and permanent  
17 basis. If the resolution that authorized the district to increase its local  
18 option budget specified a definite period of time for which the district  
19 would retain its authority to increase the local option budget and such  
20 authority lapses at the conclusion of such period and is not renewed, the  
21 term district prescribed percentage means a percentage that is equal to  
22 the percentage of the amount of state financial aid the district was au-  
23 thorized to budget in the preceding school year less the percentage of  
24 increase that was authorized by the resolution unless the loss of the per-  
25 centage of increase that was authorized by the resolution would cause the  
26 actual amount per pupil budgeted by the district to be less than the av-  
27 erage amount per pupil of general fund budgets and local option budgets  
28 computed by the state board under whichever of the provisions (7)  
29 through (10) of subsection (a) of K.S.A. 72-6444, and amendments  
30 thereto, is applicable to the district's enrollment group, in which case, the  
31 term district prescribed percentage means a percentage that is equal to  
32 the percentage of the amount of state financial aid the district was au-  
33 thorized to budget in the preceding school year less the percentage of  
34 increase that was authorized by the resolution plus a percentage which  
35 shall be computed for the district by the state board in accordance with  
36 the provisions of K.S.A. 72-6444, and amendments thereto, except that,  
37 in making the determination of the actual amount per pupil budgeted by  
38 the district in the preceding school year, the state board shall exclude the  
39 percentage of increase that was authorized by the resolution.

40 —(2) (A) Subject to the provisions of subpart (B), the adoption of a  
41 local option budget under authority of this subsection shall require a  
42 majority vote of the members of the board and shall require no other  
43 procedure, authorization or approval.

~~1 —(B) In lieu of utilizing the authority granted by subpart (A) for adop-  
2 tion of a local option budget, the board of a district may pass a resolution  
3 authorizing adoption of such a budget and publish such resolution once  
4 in a newspaper having general circulation in the district. The resolution  
5 shall be published in substantial compliance with the following form:~~

6 *Unified School District No. \_\_\_\_\_,*

*\_\_\_\_\_ County, Kansas.*

8 *RESOLUTION*

9 *Be It Resolved that:*

10 *The board of education of the above-named school district shall be authorized to adopt a*  
11 *local option budget in each school year for a period of time not to exceed \_\_\_\_\_ years in*  
12 *an amount not to exceed \_\_\_\_\_% of the amount of state financial aid determined for the*  
13 *current school year. The local option budget authorized by this resolution may be adopted,*  
14 *unless a petition in opposition to the same, signed by not less than 5% of the qualified electors*  
15 *of the school district, is filed with the county election officer of the home county of the school*  
16 *district within 30 days after publication of this resolution. In the event a petition is filed,*  
17 *the county election officer shall submit the question of whether adoption of the local option*  
18 *budget shall be authorized to the electors of the school district at an election called for the*  
19 *purpose or at the next general election, as is specified by the board of education of the school*  
20 *district.*

21 *CERTIFICATE*

22 *This is to certify that the above resolution was duly adopted by the board of education of*  
23 *Unified School District No. \_\_\_\_\_, \_\_\_\_\_ County, Kansas, on the \_\_\_\_\_ day of .*  
24 *, \_\_\_\_\_*

25 *Clerk of the board of education.*

26 All of the blanks in the resolution shall be appropriately filled. The  
27 blank preceding the word “years” shall be filled with a specific number,  
28 and the blank preceding the percentage symbol shall be filled with a  
29 specific number. No word shall be inserted in either of the blanks. The  
30 percentage specified in the resolution shall not exceed the district pre-  
31 scribed percentage. The resolution shall be published once in a news-  
32 paper having general circulation in the school district. If no petition as  
33 specified above is filed in accordance with the provisions of the resolution,  
34 the board may adopt a local option budget. If a petition is filed as provided  
35 in the resolution, the board may notify the county election officer of the  
36 date of an election to be held to submit the question of whether adoption  
37 of a local option budget shall be authorized. If the board fails to notify  
38 the county election officer within 30 days after a petition is filed, the  
39 resolution shall be deemed abandoned and no like resolution shall be  
40 adopted by the board within the nine months following publication of the  
41 resolution. If any district is authorized to adopt a local option budget  
42 under this subpart, but the board of such district chooses, in any school  
43 year, not to adopt such a budget or chooses, in any school year, to adopt

1 such budget in an amount less than the amount of the district prescribed  
2 percentage of the amount of state financial aid in any school year, such  
3 board of education may so choose. If the board of any district refrains  
4 from adopting a local option budget in any one or more school years or  
5 refrains from budgeting the total amount authorized for any one or more  
6 school years, the authority of such district to adopt a local option budget  
7 shall not be extended by such refrainment beyond the period specified  
8 in the resolution authorizing adoption of such budget, nor shall the  
9 amount authorized to be budgeted in any succeeding school year be in-  
10 creased by such refrainment. Whenever an initial resolution has been  
11 adopted under this subpart, and such resolution specified a lesser per-  
12 centage than the district prescribed percentage, the board of the district  
13 may adopt one or more subsequent resolutions under the same procedure  
14 as provided for the initial resolution and subject to the same conditions,  
15 and shall be authorized to increase the percentage as specified in any  
16 such subsequent resolution for the remainder of the period of time spec-  
17 ified in the initial resolution. Any percentage specified in a subsequent  
18 resolution or in subsequent resolutions shall be limited so that the sum  
19 of the percentage authorized in the initial resolution and the percentage  
20 authorized in the subsequent resolution or in subsequent resolutions is  
21 not in excess of the district prescribed percentage in any school year. The  
22 board of any district that has been authorized to adopt a local option  
23 budget under this subpart and levied a tax under authority of K.S.A. 72-  
24 6435, and amendments thereto, may initiate, at any time after the final  
25 levy is certified to the county clerk under any current authorization, pro-  
26 cedures to renew its authority to adopt a local option budget in the man-  
27 ner specified in this subpart or may utilize the authority granted by sub-  
28 part (A). As used in this subpart, the term “authorized to adopt a local  
29 option budget” means that a district has adopted a resolution under this  
30 subpart, has published the same, and either that the resolution was not  
31 protested or that it was protested and an election was held by which the  
32 adoption of a local option budget was approved.

33 (3) The provisions of this subsection are subject to the provisions of  
34 subsections (b) and (c).

35 (b) (1) The board of any district that adopts a local option budget  
36 under subsection (a) may increase the amount of such budget in each  
37 school year in an amount which together with the percentage of the  
38 amount of state financial aid budgeted under subsection (a) does not  
39 exceed the state prescribed percentage of the amount of state financial  
40 aid determined for the district in the school year if the board of the district  
41 determines that an increase in such budget would be in the best interests  
42 of the district.

43 (2) No district may increase a local option budget under authority of

1 this subsection until: (A) A resolution authorizing such an increase is  
2 passed by the board and published once in a newspaper having general  
3 circulation in the district; or (B) the question of whether the board shall  
4 be authorized to increase the local option budget has been submitted to  
5 and approved by the qualified electors of the district at a special election  
6 called for the purpose. Any such election shall be noticed, called and held  
7 in the manner provided by K.S.A. 10-120, and amendments thereto, for  
8 the noticing, calling and holding of elections upon the question of issuing  
9 bonds under the general bond law. The notice of such election shall state  
10 the purpose for and time of the election, and the ballot shall be designed  
11 with the question of whether the board of education of the district shall  
12 be continuously and permanently authorized to increase the local option  
13 budget of the district in each school year by a percentage which together  
14 with the percentage of the amount of state financial aid budgeted under  
15 subsection (a) does not exceed the state prescribed percentage in any  
16 school year. If a majority of the qualified electors voting at the election  
17 approve authorization of the board to increase the local option budget,  
18 the board shall have such authority. If a majority of the qualified electors  
19 voting at the election are opposed to authorization of the board to increase  
20 the local option budget, the board shall not have such authority and no  
21 like question shall be submitted to the qualified electors of the district  
22 within the nine months following the election.

23 (3) (A) Subject to the provisions of subpart (B), a resolution author-  
24 izing an increase in the local option budget of a district shall state that  
25 the board of education of the district shall be authorized to increase the  
26 local option budget of the district in each school year in an amount not  
27 to exceed \_\_\_\_\_% of the amount of state financial aid determined for the  
28 current school year and that the percentage of increase may be reduced  
29 so that the sum of the percentage of the amount of state financial aid  
30 budgeted under subsection (a) and the percentage of increase specified  
31 in the resolution does not exceed the state prescribed percentage in any  
32 school year. The blank preceding the percentage symbol shall be filled  
33 with a specific number. No word shall be inserted in the blank. The  
34 resolution shall specify a definite period of time for which the board shall  
35 be authorized to increase the local option budget and such period of time  
36 shall be expressed by the specific number of school years for which the  
37 board shall retain its authority to increase the local option budget. No  
38 word shall be used to express the number of years for which the board  
39 shall be authorized to increase the local option budget.

40 (B) In lieu of the requirements of subpart (A) and at the discretion  
41 of the board, a resolution authorizing an increase in the local option  
42 budget of a district may state that the board of education of the district  
43 shall be continuously and permanently authorized to increase the local

1 option budget of the district in each school year by a percentage which  
2 together with the percentage of the amount of state financial aid budgeted  
3 under subsection (a) does not exceed the state prescribed percentage in  
4 any school year.

5 (4) A resolution authorizing an increase in the local option budget of  
6 a district shall state that the amount of the local option budget may be  
7 increased as authorized by the resolution unless a petition in opposition  
8 to such increase, signed by not less than 5% of the qualified electors of  
9 the school district, is filed with the county election officer of the home  
10 county of the school district within 30 days after publication. If no petition  
11 is filed in accordance with the provisions of the resolution, the board is  
12 authorized to increase the local option budget of the district. If a petition  
13 is filed as provided in the resolution, the board may notify the county  
14 election officer of the date of an election to be held to submit the question  
15 of whether the board shall be authorized to increase the local option  
16 budget of the district. If the board fails to notify the county election officer  
17 within 30 days after a petition is filed, the resolution shall be deemed  
18 abandoned and no like resolution shall be adopted by the board within  
19 the nine months following publication of the resolution.

20 (5) The requirements of provision (2) do not apply to any district that  
21 is continuously and permanently authorized to increase the local option  
22 budget of the district. An increase in the amount of a local option budget  
23 by such a district shall require a majority vote of the members of the  
24 board and shall require no other procedure, authorization or approval.

25 (6) If any district is authorized to increase a local option budget, but  
26 the board of such district chooses, in any school year, not to adopt or  
27 increase such budget or chooses, in any school year, to adopt or increase  
28 such budget in an amount less than the amount authorized, such board  
29 of education may so choose. If the board of any district refrains from  
30 adopting or increasing a local option budget in any one or more school  
31 years or refrains from budgeting the total amount authorized for any one  
32 or more school years, the amount authorized to be budgeted in any suc-  
33 ceeding school year shall not be increased by such refrainment, nor shall  
34 the authority of the district to increase its local option budget be extended  
35 by such refrainment beyond the period of time specified in the resolution  
36 authorizing an increase in the local option budget if the resolution spec-  
37 ified such a period of time.

38 (7) Whenever an initial resolution has been adopted under this sub-  
39 section, and such resolution specified a percentage which together with  
40 the percentage of the amount of state financial aid budgeted under sub-  
41 section (a) is less than the state prescribed percentage, the board of the  
42 district may adopt one or more subsequent resolutions under the same  
43 procedure as provided for the initial resolution and shall be authorized

1 to increase the percentage as specified in any such subsequent resolution.  
2 If the initial resolution specified a definite period of time for which the  
3 district is authorized to increase its local option budget, the authority to  
4 increase such budget by the percentage specified in any subsequent res-  
5 olution shall be limited to the remainder of the period of time specified  
6 in the initial resolution. Any percentage specified in a subsequent reso-  
7 lution or in subsequent resolutions shall be limited so that the sum of the  
8 percentage authorized in the initial resolution and the percentage au-  
9 thorized in the subsequent resolution or in subsequent resolutions to-  
10 gether with the percentage of the amount of state financial aid budgeted  
11 under subsection (a) is not in excess of the state prescribed percentage  
12 in any school year.

13 (8) (A) Subject to the provisions of subpart (B), the board of any  
14 district that has adopted a local option budget under subsection (a), has  
15 been authorized to increase such budget under a resolution which spec-  
16 ified a definite period of time for retention of such authorization, and has  
17 levied a tax under authority of K.S.A. 72-6435, and amendments thereto,  
18 may initiate, at any time after the final levy is certified to the county clerk  
19 under any current authorization, procedures to renew the authority to  
20 increase the local option budget subject to the conditions and in the  
21 manner specified in provisions (2) and (3) of this subsection.

22 (B) The provisions of subpart (A) do not apply to the board of any  
23 district that is continuously and permanently authorized to increase the  
24 local option budget of the district.

25 (9) As used in this subsection:

26 (A) “Authorized to increase a local option budget” means either that  
27 a district has held a special election under provision (2)(B) by which au-  
28 thority of the board to increase a local option budget was approved, or  
29 that a district has adopted a resolution under provision (2) (A), has pub-  
30 lished the same, and either that the resolution was not protested or that  
31 it was protested and an election was held by which the authority of the  
32 board to increase a local option budget was approved.

33 (B) “State prescribed percentage” means 30% for school year 2006-  
34 2007 and 31% for school year 2007-2008 and each school year thereafter.

35 (c) To the extent the provisions of the foregoing subsections conflict  
36 with this subsection, this subsection shall control. Any district that is au-  
37 thorized to adopt a local option budget in the 1997-98 school year under  
38 a resolution which authorized the adoption of such budget in accordance  
39 with the provisions of this section prior to its amendment by this act may  
40 continue to operate under such resolution for the period of time specified  
41 in the resolution or may abandon the resolution and operate under the  
42 provisions of this section as amended by this act. Any such district shall  
43 operate under the provisions of this section as amended by this act after

1 the period of time specified in the resolution has expired.

2 (d) (1) There is hereby established in every district that adopts a local  
3 option budget a fund which shall be called the supplemental general fund.  
4 The fund shall consist of all amounts deposited therein or credited thereto  
5 according to law.

6 (2) Subject to the limitation imposed under provision (3), and sub-  
7 section (e) of K.S.A. 72-6434, and amendments thereto, amounts in the  
8 supplemental general fund may be expended for any purpose for which  
9 expenditures from the general fund are authorized or may be transferred  
10 to the general fund of the district or to any program weighted fund or  
11 categorical fund of the district. Amounts in the supplemental general fund  
12 attributable to any percentage over 25% of state financial aid determined  
13 for the current school year may be transferred to the capital improve-  
14 ments fund of the district and the capital outlay fund of the district if  
15 such transfers are specified in the resolution authorizing the adoption of  
16 a local option budget in excess of 25%.

17 (3) Amounts in the supplemental general fund may not be expended  
18 nor transferred to the general fund of the district for the purpose of  
19 making payments under any lease-purchase agreement involving the ac-  
20 quisition of land or buildings which is entered into pursuant to the pro-  
21 visions of K.S.A. 72-8225, and amendments thereto.

22 (4) Any unexpended and unencumbered cash balance remaining in  
23 the supplemental general fund of a district at the conclusion of any school  
24 year in which a local option budget is adopted shall be disposed of as  
25 provided in this subsection. If the district did not receive supplemental  
26 general state aid in the school year and the board of the district deter-  
27 mines that it will be necessary to adopt a local option budget in the en-  
28 suing school year, the total amount of the cash balance remaining in the  
29 supplemental general fund shall be maintained in such fund or trans-  
30 ferred to the general fund of the district. If the board of such a district  
31 determines that it will not be necessary to adopt a local option budget in  
32 the ensuing school year, the total amount of the cash balance remaining  
33 in the supplemental general fund shall be transferred to the general fund  
34 of the district. If the district received supplemental general state aid in  
35 the school year, transferred or expended the entire amount budgeted in  
36 the local option budget for the school year, and determines that it will be  
37 necessary to adopt a local option budget in the ensuing school year, the  
38 total amount of the cash balance remaining in the supplemental general  
39 fund shall be maintained in such fund or transferred to the general fund  
40 of the district. If such a district determines that it will not be necessary  
41 to adopt a local option budget in the ensuing school year, the total amount  
42 of the cash balance remaining in the supplemental general fund shall be  
43 transferred to the general fund of the district. If the district received



1 supplemental general state aid in the school year, did not transfer or  
2 expend the entire amount budgeted in the local option budget for the  
3 school year, and determines that it will not be necessary to adopt a local  
4 option budget in the ensuing school year, the total amount of the cash  
5 balance remaining in the supplemental general fund shall be transferred  
6 to the general fund of the district. If the district received supplemental  
7 general state aid in the school year, did not transfer or expend the entire  
8 amount budgeted in the local option budget for the school year, and  
9 determines that it will be necessary to adopt a local option budget in the  
10 ensuing school year, the state board shall determine the ratio of the  
11 amount of supplemental general state aid received to the amount of the  
12 local option budget of the district for the school year and multiply the  
13 total amount of the cash balance remaining in the supplemental general  
14 fund by such ratio. An amount equal to the amount of the product shall  
15 be transferred to the general fund of the district. The amount remaining  
16 in the supplemental general fund may be maintained in such fund or  
17 transferred to the general fund of the district.

18 (e) To the extent the provisions of the foregoing section conflict with  
19 this subsection, this subsection shall control. Any resolution authorizing  
20 the adoption of a local option budget in excess of 30% of the state financial  
21 aid of the district in the current school year shall not become effective  
22 unless such resolution has been submitted to and approved by a majority  
23 of the qualified electors of the school district voting at an election called  
24 and held thereon. Such resolution shall specify how the moneys will be  
25 expended and shall be published in the manner provided by this section.  
26 The election shall be called and held in the manner provided by this  
27 section.

28 (a) *As used in this section:*

29 (1) *“State prescribed percentage” means 31% of state financial aid of*  
30 *the district in the current school year.*

31 (2) *“Authorized to adopt a local option budget” means that a district*  
32 *has adopted a resolution under this section, has published the same, and*  
33 *either that the resolution was not protested or that it was protested and*  
34 *an election was held by which the adoption of a local option budget was*  
35 *approved.*

36 (b) *In each school year, the board of any district may adopt a local*  
37 *option budget which does not exceed the state prescribed percentage.*

38 (c) *Subject to the limitation of subsection (b), in each school year, the*  
39 *board of any district may adopt, by resolution, a local option budget in*  
40 *an amount not to exceed:*

41 (1) (A) *The amount which the board was authorized to adopt in ac-*  
42 *cordance with the provisions of this section in effect prior to its amend-*  
43 *ment by this act; plus*

1 (B) the amount which the board was authorized to adopt pursuant  
2 to any resolution currently in effect; plus

3 (C) the amount which the board was authorized to adopt pursuant  
4 to K.S.A. 72-6444, and amendments thereto, if applicable to the district;  
5 or

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

8 **The Except as provided by subsection (e), the adoption of a reso-**  
9 **lution pursuant to this subsection shall require a majority vote of the**  
10 **members of the board. Such resolution shall be effective upon adoption**  
11 **and shall require no other procedure, authorization or approval.**

12 (d) If the board of a district desires to increase its local option budget  
13 authority above the amount authorized under subsection (c) or if the  
14 board was not authorized to adopt a local option budget in 2006-2007,  
15 the board may adopt, by resolution, such budget in an amount not to  
16 exceed the state prescribed percentage. The adoption of a resolution pur-  
17 suant to this subsection shall require a majority vote of the members of  
18 the board. The resolution shall be published at least once in a newspaper  
19 having general circulation in the district. The resolution shall be published  
20 in substantial compliance with the following form:

21 Unified School District No. \_\_\_\_\_  
22 \_\_\_\_\_ County, Kansas.

23 RESOLUTION

24 Be It Resolved that:

25 The board of education of the above-named school district shall be authorized to adopt a  
26 local option budget in each school year in an amount not to exceed \_\_\_\_\_% of the amount  
27 of state financial aid. The local option budget authorized by this resolution may be adopted,  
28 unless a petition in opposition to the same, signed by not less than 5% of the qualified electors  
29 of the school district, is filed with the county election officer of the home county of the school  
30 district within 30 days after publication of this resolution. If a petition is filed, the county  
31 election officer shall submit the question of whether adoption of the local option budget shall  
32 be authorized to the electors of the school district at an election called for the purpose or at  
33 the next general election, as is specified by the board of education of the school district.

34 CERTIFICATE

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

37 \_\_\_\_\_  
38 Clerk of the board of education.

39 All of the blanks in the resolution shall be filled as is appropriate. If a  
40 sufficient petition is not filed, the board may adopt a local option budget.  
41 If a sufficient petition is filed, the board may notify the county election  
42 officer of the date of an election to be held to submit the question of  
43 whether adoption of a local option budget shall be authorized. Any such

1 election shall be noticed, called and held in the manner provided by K.S.A.  
2 10-120, and amendments thereto. If the board fails to notify the county  
3 election officer within 30 days after a sufficient petition is filed, the res-  
4 olution shall be deemed abandoned and no like resolution shall be adopted  
5 by the board within the nine months following publication of the resolu-  
6 tion.

7 **(e) Any resolution authorizing the adoption of a local option**  
8 **budget in excess of 30% of the state financial aid of the district in**  
9 **the current school year shall not become effective unless such res-**  
10 **olution has been submitted to and approved by a majority of the**  
11 **qualified electors of the school district voting at an election called**  
12 **and held thereon. The election shall be called and held in the man-**  
13 **ner provided by K.S.A. 10-120, and amendments thereto.**

14 **(e f)** Unless specifically stated otherwise in the resolution, the au-  
15 thority to adopt a local option budget shall be continuous and permanent.  
16 The board of any district which is authorized to adopt a local option  
17 budget may choose not to adopt such a budget or may adopt a budget in  
18 an amount less than the amount authorized. If the board of any district  
19 whose authority to adopt a local option budget is not continuous and  
20 permanent refrains from adopting a local option budget, the authority of  
21 such district to adopt a local option budget shall not be extended by such  
22 refrainment beyond the period specified in the resolution authorizing  
23 adoption of such budget.

24 **(f g)** The board of any district may initiate procedures to renew or  
25 increase the authority to adopt a local option budget at any time during  
26 a school year after the tax levied pursuant to K.S.A. 72-6435, and amend-  
27 ments thereto, is certified to the county clerk under any existing author-  
28 ization.

29 **(g h)** The board of any district that is authorized to adopt a local  
30 option budget prior to the effective date of this act under a resolution  
31 which authorized the adoption of such budget in accordance with the  
32 provisions of this section in effect prior to its amendment by this act may  
33 continue to operate under such resolution for the period of time specified  
34 in the resolution or may abandon the resolution and operate under the  
35 provisions of this section as amended by this act. Any such district shall  
36 operate under the provisions of this section as amended by this act after  
37 the period of time specified in the resolution has expired.

38 **(h i)** Any resolution adopted pursuant to this section may revoke or  
39 repeal any resolution previously adopted by the board. If the resolution  
40 does not revoke or repeal previously adopted resolutions, all resolutions  
41 which are in effect shall expire on the same date. The maximum amount  
42 of the local option budget of a school district under all resolutions in effect  
43 shall not exceed the state prescribed percentage in any school year.

- 1     (i j) (1) *There is hereby established in every district that adopts a*  
2 *local option budget a fund which shall be called the supplemental general*  
3 *fund. The fund shall consist of all amounts deposited therein or credited*  
4 *thereto according to law.*
- 5     (2) *Subject to the limitation imposed under paragraph (3) and sub-*  
6 *section (e) of K.S.A. 72-6434, and amendments thereto, amounts in the*  
7 *supplemental general fund may be expended for any purpose for which*  
8 *expenditures from the general fund are authorized or may be transferred*  
9 *to any program weighted fund or categorical fund of the district. Amounts*  
10 *in the supplemental general fund attributable to any percentage over 25%*  
11 *of state financial aid determined for the current school year may be trans-*  
12 *ferred to the capital improvements fund of the district and the capital*  
13 *outlay fund of the district if such transfers are specified in the resolution*  
14 *authorizing the adoption of a local option budget in excess of 25%.*
- 15     (3) *Amounts in the supplemental general fund may not be expended*  
16 *for the purpose of making payments under any lease-purchase agreement*  
17 *involving the acquisition of land or buildings which is entered into pur-*  
18 *suant to the provisions of K.S.A. 72-8225, and amendments thereto.*
- 19     (4) (A) *Except as provided in paragraph (B), any unexpended budget*  
20 *remaining in the supplemental general fund of a district at the conclusion*  
21 *of any school year in which a local option budget is adopted shall be*  
22 *maintained in such fund.*
- 23     (B) *If the district received supplemental general state aid in the school*  
24 *year, the state board shall determine the ratio of the amount of supple-*  
25 *mental general state aid received to the amount of the local option budget*  
26 *of the district for the school year and multiply the total amount of the*  
27 *unexpended budget remaining by such ratio. An amount equal to the*  
28 *amount of the product shall be transferred to the general fund of the*  
29 *district or remitted to the state treasurer. Upon receipt of any such re-*  
30 *mittance, the state treasurer shall deposit the same in the state treasury*  
31 *to the credit of the state school district finance fund.*
- 32     (j k) *Each year the state board of education shall determine the state-*  
33 *wide average percentage of local option budgets legally adopted by school*  
34 *districts for the preceding school year.*
- 35     Sec. 2. *K.S.A. 2006 Supp. 72-6433 is hereby repealed.*
- 36     Sec. 3. *This act shall take effect and be in force from and after its*  
37 *publication in the Kansas register.*