

As Amended by House Committee

Session of 2009

HOUSE BILL No. 2095

By Committee on Appropriations

1-27

10 AN ACT concerning school districts; relating to school finance; relating
11 to the powers and duties of school boards; amending K.S.A. 2008 Supp.
12 10-1116a, ~~72-6433, 72-8801 and 72-8814~~ and **72-6433** and repealing
13 the existing sections; also repealing K.S.A. 2008 Supp. 72-6433c.

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

16 New Section 1. (a) As used in this section:

17 (1) "Utility services" means services provided to school facilities in-
18 cluding, but not limited to, gas, electric, water, telephone, sewage and
19 solid waste disposal.

20 (2) "Insurance" means health, medical, dental, errors and omissions,
21 property, fire, casualty and liability insurance.

22 (3) "School facility" means attendance centers, administrative build-
23 ings, sports facilities and any other buildings or structures owned, leased
24 or used by a school district.

25 (b) The board of education of any school district may levy a tax in an
26 amount not to exceed two mills for a period of not to exceed two years
27 upon the taxable tangible property in the school district for the purpose
28 of providing revenue for a special capital outlay fund to pay the costs of
29 insurance and utility services and for the purpose of paying a portion of
30 the principal and interest on bonds issued by cities under the authority
31 of K.S.A. 12-1774, and amendments thereto, for the financing of rede-
32 velopment projects upon property located within the school district. No
33 levy shall be made under this act until a resolution is adopted by the
34 board of education in the following form:

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

37 RESOLUTION

38 Be It Resolved that:

39 The above-named school board shall be authorized to make an annual tax levy for a period
40 not to exceed _____ year(s) in an amount not to exceed _____ mill(s) upon the taxable
41 tangible property in the school district for the purpose of _____ and for the purpose
42 of paying a portion of the principal and interest on bonds issued by cities under the authority
43 of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects

1 upon property located within the school district. The tax levy authorized by this resolution
 2 may be made, unless a petition in opposition to the same, signed by not less than 10% of
 3 the qualified electors of the school district, is filed with the county election officer of the
 4 home county of the school district within 30 days after the last publication of this resolution.
 5 In the event a petition is filed the county election officer shall submit the question of whether
 6 the tax levy shall be authorized to the electors in the school district at an election called for
 7 the purpose or at the next general election, as is specified by the board of education of the
 8 above school district.

9 CERTIFICATE

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

13 _____
 14 Clerk of the board of education.

15 The resolution shall be published at least once a week for two consec-
 16 utive weeks in a newspaper having general circulation in the school dis-
 17 trict. If no petition as specified above is filed in accordance with the
 18 provisions of the resolution, the board of education may make the tax
 19 levy specified in the resolution. If a sufficient petition is filed as provided
 20 in the resolution, the board of education may notify the county election
 21 officer of the date of an election to be held to submit the question of
 22 whether the tax levy shall be authorized. If the board of education fails
 23 to notify the county election officer within 60 days after a petition is filed,
 24 the resolution shall be deemed abandoned and no like resolution shall be
 25 adopted by the board of education within the nine months following the
 26 first publication of the resolution.

27 (c) Any board of education levying a tax authorized by this section
 28 shall establish a special capital outlay fund in which the proceeds of any
 29 tax levied under this section, except for an amount to pay a portion of the
 30 principal and interest on bonds issued by cities under the authority of
 31 K.S.A. 12-1774, and amendments thereto, for the financing of redevelop-
 32 ment projects upon property located within the school district, shall be
 33 deposited. The special capital outlay fund shall consist of all moneys de-
 34 posited therein or transferred thereto in accordance with law. Any moneys
 35 in the special capital outlay fund shall be used for the purpose of paying
 36 the costs of insurance and utility services for the district. The board may
 37 invest any portion of the special capital outlay fund which is not currently
 38 needed in investments authorized by K.S.A. 12-1675, and amendments
 39 thereto, in the manner prescribed therein or may invest the same in direct
 40 obligations of the United States government maturing or redeemable at
 41 par and accrued interest within three years from date of purchase, the
 42 principal and interest whereof is guaranteed by the government of the
 43 United States. All interest received on any such investment shall be cred-

1 ited to the special capital outlay fund created pursuant to this section.

2 **(d) The board of education of any school district which has made**
 3 **a tax levy under subsection (b), at any time after the final levy is**
 4 **certified to the county clerk under any current authorization, may**
 5 **initiate procedures to renew its authority to make such levy in the**
 6 **same manner and subject to the same limitations provided in sub-**
 7 **section (b).**

8 ~~(e)~~ (e) The authority to levy a tax under this section shall be in ad-
 9 dition to the authority granted to school districts under K.S.A. 72-8801
 10 et seq., and amendments thereto.

11 ~~(f)~~ (f) The provisions of subsection (a) of K.S.A. 2008 Supp. 79-5040,
 12 and amendments thereto, shall not apply to the fund mill levy rate limi-
 13 tation imposed by this section.

14 **New Sec. 2. (a) There is hereby established in the state treas-**
 15 **ury the school district special capital outlay state aid fund. Such**
 16 **fund shall consist of all amounts transferred thereto under the pro-**
 17 **visions of subsection (c).**

18 **(b) In each school year, each school district which levies a tax**
 19 **pursuant to section 1, and amendments thereto, shall be entitled**
 20 **to receive payment from the school district special capital outlay**
 21 **state aid fund in an amount determined by the state board of ed-**
 22 **ucation as provided in this subsection. The state board of educa-**
 23 **tion shall:**

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

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

29 **(3) prepare a schedule of dollar amounts using the amount of**
 30 **the median AVPP of all school districts as the point of beginning.**
 31 **The schedule of dollar amounts shall range upward in equal \$1,000**
 32 **intervals from the point of beginning to and including an amount**
 33 **that is equal to the amount of the AVPP of the school district with**
 34 **the highest AVPP of all school districts and shall range downward**
 35 **in equal \$1,000 intervals from the point of beginning to and in-**
 36 **cluding an amount that is equal to the amount of the AVPP of the**
 37 **school district with the lowest AVPP of all school districts;**

38 **(4) determine a state aid percentage factor for each school dis-**
 39 **trict by assigning a state aid computation percentage to the amount**
 40 **of the median AVPP shown on the schedule, decreasing the state**
 41 **aid computation percentage assigned to the amount of the median**
 42 **AVPP by one percentage point for each \$1,000 interval above the**
 43 **amount of the median AVPP, and increasing the state aid compu-**

1 **tation percentage assigned to the amount of the median AVPP by**
2 **one percentage point for each \$1,000 interval below the amount**
3 **of the median AVPP. The state aid percentage factor of a school**
4 **district is the percentage assigned to the schedule amount that is**
5 **equal to the amount of the AVPP of the school district, except that**
6 **the state aid percentage factor of a school district shall not exceed**
7 **100%. The state aid computation percentage is 25%;**

8 **(5) determine the amount levied by each school district pur-**
9 **suant to section 1, and amendments thereto;**

10 **(6) multiply the amount computed under (5) by the applicable**
11 **state aid percentage factor. The product is the amount of payment**
12 **the school district is entitled to receive from the school district**
13 **capital outlay state aid fund in the school year.**

14 **(c) The state board shall certify to the director of accounts and**
15 **reports the entitlements of school districts determined under the**
16 **provisions of subsection (b), and an amount equal thereto shall be**
17 **transferred by the director from the state general fund to the**
18 **school district special capital outlay state aid fund for distribution**
19 **to school districts. All transfers made in accordance with the pro-**
20 **visions of this subsection shall be considered to be demand trans-**
21 **fers from the state general fund.**

22 **(d) Payments from the school district special capital outlay**
23 **state aid fund shall be distributed to school districts at times de-**
24 **termined by the state board of education. The state board of ed-**
25 **ucation shall certify to the director of accounts and reports the**
26 **amount due each school district entitled to payment from the fund,**
27 **and the director of accounts and reports shall draw a warrant on**
28 **the state treasurer payable to the treasurer of the school district.**
29 **Upon receipt of the warrant, the treasurer of the school district**
30 **shall credit the amount thereof to the special capital outlay fund**
31 **of the school district to be used for the purposes of such fund.**

32 **New Sec. 2-3. (a) The board of education of any school district may**
33 **issue no-fund warrants for the purpose of paying teacher salaries and**
34 **benefits if the board determines that the revenues of the current school**
35 **year for the general fund of the district are insufficient to finance the**
36 **adopted budget of expenditures for such fund. Such no-fund warrants**
37 **shall be issued by the board in the manner and form and shall bear in-**
38 **terest and be redeemable in the manner prescribed by K.S.A. 79-2940,**
39 **and amendments thereto, except that the warrants may be issued without**
40 **the approval of the state ~~board~~ court of tax appeals, and without the**
41 **notation required by such section. The board shall make a tax levy at the**
42 **first tax levying period after such warrants are issued, sufficient to pay**
43 **such warrants and the interest thereon.**

1 **(b)** The amount of no-fund warrants issued by a district under
2 this section shall not exceed an amount equal to the amount nec-
3 essary to pay for teacher salaries and benefits as provided in the
4 budget of the school district adopted after July 1, 2008 and any
5 amendment to such budget adopted prior to the effective date of
6 this act.

7 **(c)** In each school year, each district that has issued no-fund
8 warrants under this section is eligible for entitlement to an amount
9 of no-fund warrant state aid. Entitlement of a district to no-fund
10 warrant state aid shall be determined by the state board as pro-
11 vided in this subsection. The state board shall:

12 **(1)** Determine the amount of the assessed valuation per pupil
13 in the preceding school year of each district in the state;

14 **(2)** rank the districts from low to high on the basis of the
15 amounts of assessed valuation per pupil determined under (1);

16 **(3)** identify the amount of the assessed valuation per pupil lo-
17 cated at the 81.2 percentile of the amounts ranked under (2);

18 **(4)** divide the assessed valuation per pupil of the district in the
19 preceding school year by the amount identified under (3);

20 **(5)** subtract the ratio obtained under (4) from 1.0. If the re-
21 sulting ratio equals or exceeds 1.0, the eligibility of the district for
22 entitlement to no-fund warrant state aid shall lapse. If the resulting
23 ratio is less than 1.0, the district is entitled to receive no-fund war-
24 rant state aid in an amount which shall be determined by the state
25 board by multiplying the amount of the no-fund warrants issued
26 by the district by such ratio. The product is the amount of no-fund
27 warrant state aid the district is entitled to receive for the school
28 year.

29 **(d)** If the amount of appropriations for no-fund warrant state
30 aid is less than the amount each district is entitled to receive for
31 the school year, the state board shall prorate the amount appro-
32 priated among the districts in proportion to the amount each dis-
33 trict is entitled to receive.

34 **(e)** The state board shall prescribe the dates upon which the
35 distribution of payments of no-fund warrant state aid to school
36 districts shall be due. Payments of no-fund warrant state aid shall
37 be distributed to districts on the dates prescribed by the state
38 board. The state board shall certify to the director of accounts and
39 reports the amount due each district, and the director of accounts
40 and reports shall draw a warrant on the state treasurer payable to
41 the treasurer of the district. Upon receipt of the warrant, the trea-
42 surer of the district shall credit the amount thereof to the no-fund
43 warrant state aid fund of the district which is hereby created in

1 each school district. Moneys in such fund shall be used to pay war-
2 rants issued pursuant to this section and any interest on such war-
3 rants.

4 (f) If any amount of no-fund warrant state aid that is due to be
5 paid during the month of June of a school year pursuant to the
6 other provisions of this section is not paid on or before June 30 of
7 such school year, then such payment shall be paid on or after the
8 ensuing July 1, as soon as moneys are available therefor. Any pay-
9 ment of no-fund warrant state aid that is due to be paid during the
10 month of June of a school year and that is paid to school districts
11 on or after the ensuing July 1 shall be recorded and accounted for
12 by school districts as a receipt for the school year ending on the
13 preceding June 30.

14 (g) For the purposes of determining the total amount of state
15 moneys paid to school districts, all moneys appropriated as no-fund
16 warrant state aid shall be deemed to be state moneys for educa-
17 tional and support services for school districts.

18 ~~(h)~~ (h) The authority to issue no-fund warrants under this section
19 shall expire on June 30, 2011.

20 ~~New Sec. 3. (a) For school years 2009-2010, 2010-2011 and 2011-~~
21 ~~2012, the board of any school district may adopt a local option budget~~
22 ~~which does not exceed the local option budget calculated as if the base~~
23 ~~state aid per pupil was \$4,433 or which does not exceed an amount as~~
24 ~~authorized by K.S.A. 72-6433, and amendments thereto, whichever is~~
25 ~~greater.~~

26 ~~(b) To the extent that the provisions of K.S.A. 72-6433, and amend-~~
27 ~~ments thereto, conflict with this section, this section shall control.~~

28 **New Sec. 4. (a) (1) The provisions of this subsection shall apply**
29 **in any school year in which the amount of base state aid per pupil**
30 **is \$4,433 or less.**

31 (2) The board of any school district may adopt a local option
32 budget which does not exceed the local option budget calculated
33 as if the base state aid per pupil was \$4,433 or which does not
34 exceed an amount as authorized by K.S.A. 72-6433, and amend-
35 ments thereto, whichever is greater.

36 (b) (1) The provisions of this subsection shall apply in any
37 school year in which the amount appropriated for state aid for
38 special education and related services is less than the amount ap-
39 propriated for state aid for special education and related services
40 in school year 2008-2009.

41 (2) The board of education of any school district may adopt a
42 local option budget which does not exceed the local option budget
43 calculated as if the district received state aid for special education

1 **and related services equal to the amount of state aid for special**
 2 **education and related services received in school year 2008-2009,**
 3 **or which does not exceed an amount as authorized by K.S.A. 72-**
 4 **6433, and amendments thereto, whichever is greater.**

5 (c) **The board of education of any school district may exercise**
 6 **the authority granted under subsection (a) or (b) or both subsec-**
 7 **tions (a) and (b).**

8 (d) **To the extent that the provisions of K.S.A. 72-6433, and**
 9 **amendments thereto, conflict with this section, this section shall**
 10 **control.**

11 ~~Sec. 5.~~ K.S.A. 2008 Supp. 10-1116a is hereby amended to read as
 12 follows: 10-1116a. The limitations on expenditures imposed under the
 13 cash-basis law shall not apply to:

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

34 (b) Expenditures in any month by school districts which are in excess
 35 of current revenues if the deficit or shortage in revenues is caused by, or
 36 a result of, the payment of state aid after the date prescribed for the
 37 payment of state aid during such month under K.S.A. 72-6417 or 72-
 38 6434, and amendments thereto.

39 ~~The provisions of this subsection shall apply to expenditures made in~~
 40 ~~school year 2001-2002, school year 2002-2003, school year 2003-2004,~~
 41 ~~school year 2004-2005, school year 2005-2006 and school year 2006-2007.~~

42 ~~Sec. 5-~~ **6.** K.S.A. 2008 Supp. 72-6433 is hereby amended to read as
 43 follows: 72-6433. (a) As used in this section:

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

3 (2) “Authorized to adopt a local option budget” means that a district
4 has adopted a resolution under this section, has published the same, and
5 either ~~that~~ the resolution was not protested or ~~that~~ it was protested and
6 an election was held by which the adoption of a local option budget was
7 approved.

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

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

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

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

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

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

22 Except as provided by subsection (e), the adoption of a resolution pur-
23 suant to this subsection shall require a majority vote of the members of
24 the board. Such resolution shall be effective upon adoption and shall
25 require no other procedure, authorization or approval.

26 (d) If the board of a district desires to increase its local option budget
27 authority above the amount authorized under subsection (c) or if the
28 board was not authorized to adopt a local option budget in 2006-2007,
29 the board may adopt, by resolution, such budget in an amount not to
30 exceed the state prescribed percentage. The adoption of a resolution pur-
31 suant to this subsection shall require a majority vote of the members of
32 the board. The resolution shall be published at least once in a newspaper
33 having general circulation in the district. The resolution shall be published
34 in substantial compliance with the following form:

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

37 RESOLUTION

38 Be It Resolved that:

39 The board of education of the above-named school district shall be authorized to adopt
40 a local option budget in each school year in an amount not to exceed _____% of the amount
41 of state financial aid. The local option budget authorized by this resolution may be adopted,
42 unless a petition in opposition to the same, signed by not less than 5% of the qualified
43 electors of the school district, is filed with the county election officer of the home county

1 of the school district within 30 days after publication of this resolution. If a petition is filed,
2 the county election officer shall submit the question of whether adoption of the local option
3 budget shall be authorized to the electors of the school district at an election called for the
4 purpose or at the next general election, as is specified by the board of education of the
5 school district.

6 ~~CERTIFICATE~~

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

9 _____
10 Clerk of the board of education.

11 CERTIFICATE

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

15 _____
16 Clerk of the board of education.

17 All of the blanks in the resolution shall be filled as is appropriate. If a
18 sufficient petition is not filed, the board may adopt a local option budget.
19 If a sufficient petition is filed, the board may notify the county election
20 officer of the date of an election to be held to submit the question of
21 whether adoption of a local option budget shall be authorized. Any such
22 election shall be noticed, called and held in the manner provided by
23 K.S.A. 10-120, and amendments thereto. If the board fails to notify the
24 county election officer within 30 days after a sufficient petition is filed,
25 the resolution shall be deemed abandoned and no like resolution shall be
26 adopted by the board within the nine months following publication of the
27 resolution.

28 (e) Any resolution authorizing the adoption of a local option budget
29 in excess of 30% of the state financial aid of the district in the current
30 school year shall not become effective unless such resolution has been
31 submitted to and approved by a majority of the qualified electors of the
32 school district voting at an election called and held thereon. The election
33 shall be called and held in the manner provided by K.S.A. 10-120, and
34 amendments thereto.

35 (f) Unless specifically stated otherwise in the resolution, the authority
36 to adopt a local option budget shall be continuous and permanent. The
37 board of any district which is authorized to adopt a local option budget
38 may choose not to adopt such a budget or may adopt a budget in an
39 amount less than the amount authorized. If the board of any district
40 whose authority to adopt a local option budget is not continuous and
41 permanent refrains from adopting a local option budget, the authority of
42 such district to adopt a local option budget shall not be extended by such
43 refrainment beyond the period specified in the resolution authorizing

1 adoption of such budget.

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

7 (h) The board of any district that is authorized to adopt a local option
8 budget prior to the effective date of this act under a resolution which
9 authorized the adoption of such budget in accordance with the provisions
10 of this section in effect prior to its amendment by this act may continue
11 to operate under such resolution for the period of time specified in the
12 resolution or may abandon the resolution and operate under the provi-
13 sions of this section as amended by this act. Any such district shall operate
14 under the provisions of this section as amended by this act after the period
15 of time specified in the resolution has expired.

16 (i) Any resolution adopted pursuant to this section may revoke or
17 repeal any resolution previously adopted by the board. If the resolution
18 does not revoke or repeal previously adopted resolutions, all resolutions
19 which are in effect shall expire on the same date. The maximum amount
20 of the local option budget of a school district under all resolutions in effect
21 shall not exceed the state prescribed percentage in any school year.

22 (j) (1) There is hereby established in every district that adopts a local
23 option budget a fund which shall be called the supplemental general fund.
24 The fund shall consist of all amounts deposited therein or credited thereto
25 according to law.

26 (2) Subject to the limitation imposed under paragraph (3) and sub-
27 section (e) of K.S.A. 72-6434, and amendments thereto, amounts in the
28 supplemental general fund may be expended for any purpose for which
29 expenditures from the general fund are authorized or may be transferred
30 to any program weighted fund or categorical fund of the district. Amounts
31 in the supplemental general fund attributable to any percentage over 25%
32 of state financial aid determined for the current school year may be trans-
33 ferred to the capital improvements fund of the district and the capital
34 outlay fund of the district if such transfers are specified in the resolution
35 authorizing the adoption of a local option budget in excess of 25%.

36 (3) Amounts in the supplemental general fund may not be expended
37 for the purpose of making payments under any lease-purchase agreement
38 involving the acquisition of land or buildings which is entered into pur-
39 suant to the provisions of K.S.A. 72-8225, and amendments thereto.

40 (4) (A) Except as provided in paragraph (B), any unexpended budget
41 remaining in the supplemental general fund of a district at the conclusion
42 of any school year in which a local option budget is adopted shall be
43 maintained in such fund.

1 (B) If the district received supplemental general state aid in the
 2 school year, the state board shall determine the ratio of the amount of
 3 supplemental general state aid received to the amount of the local option
 4 budget of the district for the school year and multiply the total amount
 5 of the unexpended budget remaining by such ratio. An amount equal to
 6 the amount of the product shall be transferred to the general fund of the
 7 district or remitted to the state treasurer. Upon receipt of any such re-
 8 mittance, the state treasurer shall deposit the same in the state treasury
 9 to the credit of the state school district finance fund.

10 (k) Each year the state board of education shall determine the state-
 11 wide average percentage of local option budgets legally adopted by school
 12 districts for the preceding school year.

13 (l) *The provisions of this section shall be subject to the provisions of*
 14 *section 3, and amendments thereto.*

15 ~~Sec. 6. K.S.A. 2008 Supp. 72-8801 is hereby amended to read as~~
 16 ~~follows: 72-8801. (a) The board of education of any school district may~~
 17 ~~make an annual tax levy at a mill rate not to exceed the statutorily pre-~~
 18 ~~scribed mill rate for a period of not to exceed five years upon the taxable~~
 19 ~~tangible property in the school district for the purposes specified in this~~
 20 ~~act and for the purpose of paying a portion of the principal and interest~~
 21 ~~on bonds issued by cities under the authority of K.S.A. 12-1774, and~~
 22 ~~amendments thereto, for the financing of redevelopment projects upon~~
 23 ~~property located within the school district. No levy shall be made under~~
 24 ~~this act until a resolution is adopted by the board of education in the~~
 25 ~~following form:~~

26 Unified School District No. _____,

_____ County, Kansas.

28 **RESOLUTION**

29 ~~Be It Resolved that:~~

30 ~~—The above-named school board shall be authorized to make an annual tax levy for a period~~
 31 ~~not to exceed _____ years in an amount not to exceed _____ mills upon the taxable~~
 32 ~~tangible property in the school district for the purpose of acquisition, construction, recon-~~
 33 ~~struction, repair, remodeling, additions to, furnishing and equipping of buildings necessary~~
 34 ~~for school district purposes, including housing and boarding pupils enrolled in an area vo-~~
 35 ~~catiional school operated under the board, architectural expenses incidental thereto, the~~
 36 ~~acquisition of building sites, the undertaking and maintenance of asbestos control projects,~~
 37 ~~the acquisition of school buses and the acquisition of other equipment and for the purpose~~
 38 ~~of paying a portion of the principal and interest on bonds issued by cities under the authority~~
 39 ~~of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects~~
 40 ~~upon property located within the school district. The tax levy authorized by this resolution~~
 41 ~~may be made, unless a petition in opposition to the same, signed by not less than 10% of~~
 42 ~~the qualified electors of the school district, is filed with the county election officer of the~~
 43 ~~home county of the school district within 40 days after the last publication of this resolution.~~

1 In the event a petition is filed the county election officer shall submit the question of whether
2 the tax levy shall be authorized to the electors in the school district at an election called for
3 the purpose or at the next general election, as is specified by the board of education of the
4 above school district.

5 CERTIFICATE

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

9 _____
10 Clerk of the board of education.

11 —All of the blanks in the above resolution shall be appropriately filled.
12 The blank preceding the word “years” shall be filled with a specific num-
13 ber, and the blank preceding the word “mills” shall be filled with a specific
14 number, and no word shall be inserted in either of the blanks. The res-
15 olution shall be published once a week for two consecutive weeks in a
16 newspaper having general circulation in the school district. If no petition
17 as specified above is filed in accordance with the provisions of the reso-
18 lution, the board of education may make the tax levy specified in the
19 resolution. If a petition is filed as provided in the resolution, the board
20 of education may notify the county election officer of the date of an
21 election to be held to submit the question of whether the tax levy shall
22 be authorized. If the board of education fails to notify the county election
23 officer within 60 days after a petition is filed, the resolution shall be
24 deemed abandoned and no like resolution shall be adopted by the board
25 of education within the nine months following the first publication of the
26 resolution.

27 —(b)—As used in this act:

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

33 —(2)—“statutorily prescribed mill rate” means: (A) Eight 10 mills; (B)
34 the mill levy rate in excess of eight 10 mills if the resolution fixing such
35 rate was approved at an election prior to the effective date of this act July
36 1, 2005, or (C) the mill levy rate in excess of eight 10 mills if no petition
37 or no sufficient petition was filed in protest to a resolution fixing such
38 rate in excess of eight 10 mills and the protest period for filing such
39 petition has expired;

40 —(3)—“asbestos control project” means any activity which is necessary
41 or incidental to the control of asbestos-containing material in buildings
42 of school districts and includes, but not by way of limitation, any activity
43 undertaken for the removal or encapsulation of asbestos-containing ma-

1 material, for any remodeling, renovation, replacement, rehabilitation or
 2 other restoration necessitated by such removal or encapsulation, for con-
 3 ducting inspections, reinspections and periodic surveillance of buildings,
 4 performing response actions, and developing, implementing and updating
 5 operations and maintenance programs and management plans;

6 —(4)—“asbestos” means the asbestiform varieties of chrysotile (serpen-
 7 tine), crocidolite (riebeckite), amosite (cummingtonite/grunerite), antho-
 8 phyllite, tremolite, and actinolite, and

9 —(5)—“asbestos-containing material” means any material or product
 10 which contains more than 1% asbestos.

11 —Sec. 7. —K.S.A. 2008 Supp. 72-8814 is hereby amended to read as
 12 follows: 72-8814. (a) There is hereby established in the state treasury the
 13 school district capital outlay state aid fund. Such fund shall consist of all
 14 amounts transferred thereto under the provisions of subsection (c).

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

20 —(1)—Determine the amount of the assessed valuation per pupil (AVPP)
 21 of each school district in the state and round such amount to the nearest
 22 \$1,000. The rounded amount is the AVPP of a school district for the
 23 purposes of this section;

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

25 —(3)—prepare a schedule of dollar amounts using the amount of the
 26 median AVPP of all school districts as the point of beginning. The sched-
 27 ule of dollar amounts shall range upward in equal \$1,000 intervals from
 28 the point of beginning to and including an amount that is equal to the
 29 amount of the AVPP of the school district with the highest AVPP of all
 30 school districts and shall range downward in equal \$1,000 intervals from
 31 the point of beginning to and including an amount that is equal to the
 32 amount of the AVPP of the school district with the lowest AVPP of all
 33 school districts;

34 —(4)—determine a state aid percentage factor for each school district by
 35 assigning a state aid computation percentage to the amount of the median
 36 AVPP shown on the schedule, decreasing the state aid computation per-
 37 centage assigned to the amount of the median AVPP by one percentage
 38 point for each \$1,000 interval above the amount of the median AVPP,
 39 and increasing the state aid computation percentage assigned to the
 40 amount of the median AVPP by one percentage point for each \$1,000
 41 interval below the amount of the median AVPP. Except as provided by
 42 K.S.A. 2007 Supp. 72-8814b, and amendments thereto, the state aid per-
 43 centage factor of a school district is the percentage assigned to the sched-

1 the amount that is equal to the amount of the AVPP of the school district,
2 except that the state aid percentage factor of a school district shall not
3 exceed 100%. The state aid computation percentage is ~~25%~~,

4 ~~—(5)—~~ determine the amount levied by each school district pursuant to
5 K.S.A. 72-8801 et seq., and amendments thereto;

6 ~~—(6)—~~ multiply the amount computed under ~~(5)~~, but not to exceed ~~8-10~~
7 mills, by the applicable state aid percentage factor. The product is the
8 amount of payment the school district is entitled to receive from the
9 school district capital outlay state aid fund in the school year.

10 ~~—(c)—~~ The state board shall certify to the director of accounts and reports
11 the entitlements of school districts determined under the provisions of
12 subsection (b), and an amount equal thereto shall be transferred by the
13 director from the state general fund to the school district capital outlay
14 state aid fund for distribution to school districts. All transfers made in
15 accordance with the provisions of this subsection shall be considered to
16 be demand transfers from the state general fund.

17 ~~—(d)—~~ Payments from the school district capital outlay state aid fund
18 shall be distributed to school districts at times determined by the state
19 board of education. The state board of education shall certify to the di-
20 rector of accounts and reports the amount due each school district enti-
21 tled to payment from the fund, and the director of accounts and reports
22 shall draw a warrant on the state treasurer payable to the treasurer of the
23 school district. Upon receipt of the warrant, the treasurer of the school
24 district shall credit the amount thereof to the capital outlay fund of the
25 school district to be used for the purposes of such fund.

26 ~~—(e)—~~ Amounts transferred to the capital outlay fund of a school district
27 as authorized by K.S.A. 72-6433, and amendments thereto, shall not be
28 included in the computation when determining the amount of state aid
29 to which a district is entitled to receive under this section.

30 Sec. ~~8-7~~. K.S.A. 2008 Supp. 10-1116a, 72-6433, ~~72-6433e~~, ~~72-8801~~
31 ~~and 72-8814~~ and **72-6433c** are hereby repealed.

32 Sec. ~~9-8~~. This act shall take effect and be in force from and after its
33 publication in the Kansas register.