SENATE BILL No. 539

By Committee on Ways and Means

2-9

9 AN ACT concerning school finance; repealing K.S.A. 72-6406, 72-6408, 10 72-6411, 72-6415, 72-6416, 72-6418, 72-6419, 72-6420, 72-6422, 72-6423, 72-6424, 72-6427, 72-6429, 72-6432, 72-6436, 72-6437, 72-6444, 11 12 72-6446, 72-6447, 72-7105a and 72-8237 and K.S.A. 2009 Supp. 72-13 3715, 72-3716, 72-6405, 72-6407, 72-6409, 72-6410, 72-6412, 72-6413, 14 72-6414, 72-6414a, 72-6414b, 72-6415b, 72-6417, 72-6421, 72-6425, 15 72-6426, 72-6428, 72-6430, 72-6431, 72-6433, 72-6433d, 72-6434, 72-16 6434b, 72-6435, 72-6438, 72-6439, 72-6439a, 72-6441, 72-6442b, 72-17 6443, 72-6445a, 72-6448, 72-6449, 72-6450, 72-6451, 72-6452, 72-18 6453, 72-6454, 72-6455, 72-6456, 72-6457, 72-6458, 72-6459, 19 72-64b01, 72-64c01, 72-64c03, 72-64c04, 72-8238, 72-8248, 72-8249, 20 72-8250, 72-9509 and 72-9609.

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

Section 1. (a) Sections 1 through 39, and amendments thereto, shall be known and may be cited as the relevant efficient academic learning (REAL) education act.

- (b) The provisions of this section and sections 4 through 39, and amendments thereto, shall apply in school year 2012-2013 and in each school year thereafter.
- (c) The provisions of the REAL education act are severable. If any provision, word, phrase or clause of the act or the application thereof to any person is held invalid, such invalidity shall not affect the validity of the remaining portions of the REAL education act.
- Sec. 2. (a) In school year 2011-2012 and in each school year thereafter, the board of every district shall record and report all expenditures and receipts of the district using a uniform chart of accounts adopted by the state board.
- (b) The state board may adopt rules and regulations for the implementation of this section, including rules and regulations providing for the classification of expenditures and receipts of districts to insure uniform reporting of such expenses and receipts.
- Sec. 3. The state board may adopt rules and regulations deemed necessary for the administration of the REAL education act.
- 43 Sec. 4. As used in the REAL education act:

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(a) (1) "Pupil" means any person who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 maintained by the district or who is regularly enrolled in a district and attending kindergarten or any of the grades one through 12 in another district in accordance with an agreement entered into under authority of K.S.A. 72-8233, and amendments thereto, or who is regularly enrolled in a district and attending special education services provided for preschoolaged exceptional children by the district.

Except as otherwise provided in paragraph (3) of this subsection, a pupil in attendance full-time shall be counted as one pupil. A pupil in attendance part-time shall be counted as that proportion of one pupil (to the nearest 1/10) that the pupil's attendance bears to full-time attendance. A pupil attending kindergarten shall be counted as one pupil. A pupil enrolled in and attending an institution of postsecondary education which is authorized under the laws of this state to award academic degrees shall be counted as one pupil if the pupil's postsecondary education enrollment and attendance together with the pupil's attendance in either of the grades 11 or 12 is at least ⁵% time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest 1/10) that the total time of the pupil's postsecondary education attendance and attendance in grade 11 or 12, as applicable, bears to full-time attendance. A pupil enrolled in and attending an area vocational school, area vocational-technical school or approved vocational education program shall be counted as one pupil if the pupil's vocational education enrollment and attendance together with the pupil's attendance in any of grades nine through 12 is at least 5% time, otherwise the pupil shall be counted as that proportion of one pupil (to the nearest ½10) that the total time of the pupil's vocational education attendance and attendance in any of grades nine through 12 bears to fulltime attendance. A pupil who is a resident of the state of Kansas and who is enrolled in a district and attending a virtual school shall be counted in the same manner as a pupil attending a nonvirtual school. Except as provided by this section for preschool-aged exceptional children, a pupil enrolled in a district and attending special education and related services, provided for by the district shall be counted as one pupil. A pupil enrolled in a district and attending special education and related services provided for by the district shall be counted as one pupil. A pupil enrolled in a district and attending special education and related services for preschoolaged exceptional children provided for by the district shall be counted as ½ pupil. A preschool-aged at-risk pupil enrolled in a district and receiving services under an approved at-risk pupil assistance plan maintained by the district shall be counted as one pupil. A pupil in the custody of the secretary of social and rehabilitation services or in the custody of the commissioner of juvenile justice and enrolled in unified school district

No. 259, Sedgwick county, Kansas, but housed, maintained, and receiving educational services at the Judge James V. Riddel Boys Ranch, shall be counted as one pupil. A pupil in the custody of the secretary of social and rehabilitation services or in the custody of the commissioner of juvenile justice and enrolled in unified school district No. 409, Atchison, Kansas, but housed, maintained and receiving educational services at the youth residential center located on the grounds of the former Atchison juvenile correctional facility, shall be counted as one pupil.

- (3) A pupil residing at the Flint Hills job corps center shall not be counted. A pupil confined in and receiving educational services provided for by a district at a juvenile detention facility shall not be counted. A pupil enrolled in a district but housed, maintained, and receiving educational services at a state institution or a psychiatric residential treatment facility shall not be counted.
- (b) "Preschool-aged exceptional child" means an exceptional child, except a gifted child, who has attained the age of three years but is under the age of eligibility for attendance at kindergarten.
- (c) "At-risk pupil" means: (1) A pupil who is enrolled in any of the grades 4 through 12 and who is on academic warning or does not meet the standard on the mathematics or reading state assessment during the preceding school year and who is enrolled in a district which maintains an approved proficiency assistance plan; or (2) a pupil who is enrolled in in any grades below 4th grade and who is eligible for free meals under the national school lunch act and who is enrolled in a district which maintains an approved at-risk pupil assistance plan.
- (d) "Preschool-aged at-risk pupil" means a pupil who is eligible for free meals under the national school lunch act, has attained the age of four years, is under the age of eligibility for attendance at kindergarten and has been selected by the state board in accordance with guidelines consonant with guidelines governing the selection of pupils for participation in head start programs.
- (e) "Enrollment" means the number of pupils regularly enrolled in a district computed on a full-time equivalent basis in the manner provided by section 8, and amendments thereto.
- (f) (1) "Base state aid per pupil" means an amount of instructional state aid per pupil. Subject to the other provisions of this subsection, the amount of base state aid per pupil is \$4,520 in school year 2012-2013 and in each school year thereafter.
- (2) The amount of base state aid per pupil is subject to reduction commensurate with any reduction under K.S.A. 75-6704, and amendments thereto, in the amount of the appropriation from the state general fund for instructional state aid. If the amount of appropriations for instructional state aid is insufficient to pay in full the amount each district

is entitled to receive for any school year, the amount of base state aid per pupil for such school year is subject to reduction commensurate with the amount of the insufficiency.

- (g) "At-risk pupil state aid" means a block grant at-risk pupil state aid and individual at-risk pupil state aid payable to districts as provided by sections 10 and 11, and amendments thereto.
- (h) "Low enrollment state aid" means a payment to qualifying districts under section 9, and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such districts in comparison with costs attributable to maintenance of educational programs by districts which do not qualify for low enrollment state aid.
- (i) "Juvenile detention facility" has the meaning ascribed thereto by K.S.A. 72-8187, and amendments thereto.
- (j) "Special education and related services weighting" means an addend component assigned to enrollment of districts on the basis of costs attributable to provision of special education and related services for pupils determined to be exceptional children.
- (k) "Virtual school" means any school or educational program that: (1) Is offered for credit; (2) uses distance-learning technologies which predominately use internet-based methods to deliver instruction; (3) involves instruction that occurs asynchronously with the teacher and pupil in separate locations; (4) requires the pupil to make academic progress toward the next grade level and matriculation from kindergarten through high school graduation; (5) requires the pupil to demonstrate competence in subject matter for each class or subject in which the pupil is enrolled as part of the virtual school; and (6) requires age-appropriate pupils to complete state assessment tests.
- (l) "Psychiatric residential treatment facility" has the meaning ascribed thereto by K.S.A. 72-8187, and amendments thereto.
- (m) "District" means a school district organized under the laws of this state which is maintaining public school for a school term in accordance with the provisions of K.S.A. 72-1106, and amendments thereto.
 - (n) "Board" means the board of education of a school district.
 - (o) "State board" means the state board of education.
 - (p) "School year" means the twelve-month period ending June 30.
- (q) "Current school year" means the school year during which instructional state aid is determined by the state board under section 12, and amendments thereto.
- (r) "Preceding school year" means the school year immediately before the current school year.
- (s) "September 20" has its usual meaning, except that in any year in which September 20 is not a day on which school is maintained, it shall mean the first day after September 20 on which school is maintained.

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- (t) "February 20" has its usual meaning, except that in any year in which February 20 is not a day on which school is maintained, it shall mean the first day after February 20 on which school is maintained.
- (u) "Instructional fund" means the fund of a district from which instructional expenses are paid and in which is deposited the proceeds from the tax levied under section 7, and amendments thereto, all amounts paid under the REAL education act for instructional state aid, at-risk pupil state aid and low enrollment state aid, payments of federal funds made available under the provisions of title I of public law 874, except amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program, and such other moneys as are provided by law.
- (v) (1) "Instructional expense" or "instructional purpose" means any expense of a school district for: (A) Activities dealing directly with the interaction between a student and an education provider and may be provided in a school classroom or through the internet, television, radio, computer, multimedia telephone, correspondence that is delivered inside or outside the classroom and other teacher-student settings or through other approved media in another location such as a home, hospital or in other learning situations; (B) education providers and professional development for educational providers; (C) activities of aides or classroom assistants of any type including, but not limited to, clerks, graders and teaching machines which assist in the instructional process; (D) laptops, software, textbooks, consumable materials such as workbooks and other classroom educational materials and supplies.
- (2) "Instructional expense" and "instructional purpose" does not mean any expense of a school district for: (A) Any person when acting in the capacity as an athletic or other coach or other person when providing or assisting in the provision of co-curricular activities and extra-curricular activities; or (B) capital outlay or capital improvements.
- (w) (1) "Non-instructional expense" or "non-instructional purpose" means any expense of a school district for: (A) Co-curricular activities or extra-curricular activities; (B) utilities; or (C) other expenses not specifically included within the definition of instructional expenses.
- (2) "Non-instructional expense" and "non-instructional purpose" does not mean any expense of a school district for capital outlay or capital improvements.
- (x) "Instructional fund budget" means the amount budgeted for instructional expenses in the instructional fund of a district.
- (y) "Budget per pupil" means the instructional fund budget of a district divided by the enrollment of the district.
- 42 (z) "Categorical fund" means and includes the following funds of a 43 district: Special education fund, food service fund, driver training fund,

adult education fund, adult supplementary education fund and parent education program fund.

- (aa) "Instructional state aid" means an amount equal to the product obtained by multiplying base state aid per pupil by the enrollment of a district plus any amount attributable to low enrollment state aid and atrisk state aid.
- (bb) "Federal impact aid" means an amount equal to the federally qualified percentage of the amount of moneys a district receives in the current school year under the provisions of title I of public law 874 and congressional appropriations therefor, excluding amounts received for assistance in cases of major disaster and amounts received under the low-rent housing program. The amount of federal impact aid defined herein as an amount equal to the federally qualified percentage of the amount of moneys provided for the district under title I of public law 874 shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder.
- (cc) "Co-curricular activities" means pupil activities which complement a particular curricular class but which provide no academic credit including, but not limited to, shows, performances or contests of debate, forensics, band, vocational-agriculture, FFA and other before-school and after-school performance activities.
- (dd) "Extra-curricular activities" means student activities connected with school but which provide no academic credit and are not directly associated with a particular curricular class including, but not limited to, athletics, cheerleading, academic contests, participation in student government and student or school clubs.
- (ee) "Local moneys" means the revenue derived from the tax levy imposed pursuant to section 18, and amendments thereto, for the purposes of funding the non-instructional budget.
- (ff) "PSS account" or "personal student scholarship account" means an individual account maintained by the state board for each pupil or student enrolled in a public school from which the cost of providing instruction to such student is deducted.
 - (gg) "KIDS" means the Kansas individual data on student system.
- (hh) "Education provider" means those persons whose work routinely, frequently and necessarily involves instructional contact and interaction with students and specifically includes any teacher, counselor, career development facilitator, nurse, librarian, paraprofessional, any principal who is an instructional leader, or any person who is a nationally or state certified career technical provider.
- (ii) "Taxable tangible property" means any real property, personal property, motor vehicles and state assessed property which is not other-

1 wise exempt from property tax.

- (jj) "Enrichment state aid" means an amount of state aid payable to districts pursuant to section 37, and amendments thereto.
- (kk) "Non-instructional state aid" means an amount of state aid payable to districts pursuant to section 17, and amendments thereto.
 - Sec. 5. (a) The state school district finance fund, established by K.S.A. 1991 Supp. 72-7081 prior to its repeal by the school district finance and quality performance act, is hereby continued in existence and shall consist of all moneys credited or transferred to such fund.
 - (b) The state school district finance fund shall be used for the purpose of school district finance and for no other governmental purpose. It is the intent of the legislature that the fund shall remain intact and inviolate for such purpose, and moneys in the fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.
 - (c) Amounts in the state school district finance fund shall be allocated and distributed to school districts as a portion of instructional state aid entitlements provided for under this act.
- Sec. 6. (a) In each school year, the state board shall determine entitlement of each district to instructional state aid for the school year as provided in this section.
- (b) The state board shall determine the amount of the revenue derived from the tax imposed pursuant to section 7, and amendments thereto, for the school year. If the amount of revenue derived from the levy is greater than the amount of instructional state aid determined for the district for the school year, the district shall not be entitled to additional instructional state aid. If the amount of the revenue derived from the levy is less than the amount of instructional state aid determined for the district for the school year, the state board shall subtract the amount of revenue derived from the levy from the amount of instructional state aid as determined by the state board. The remainder is the amount of instructional state aid the district is entitled to receive for the current school year.
- Sec. 7. (a) The board of each district shall levy an ad valorem tax upon the taxable tangible property of the district in the school years specified in subsection (b) for the purpose of:
- (1) Financing that portion of the district's instructional fund budget which is not financed from any other source provided by law;
- (2) financing the instructional fund budget of the district in fulfillment of the legislature's duty under article 6 of the constitution of the state of Kansas to provide for the intellectual, educational, vocational and scientific improvement and to make suitable provision for finance of the educational interests of the state; and

- (3) with respect to any redevelopment district established prior to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district.
- (b) The tax required under subsection (a) shall be levied at a rate of 20 mills in the school year 2012-2013 and school year 2013-2014.
- (c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the instructional fund of the district.
- (d) On June 6 of each year, the amount, if any, by which the revenue derived from the tax imposed pursuant to this section exceeds the amount of the district's instructional state aid, as determined by the state board, shall be remitted to the state treasurer. Upon receipt of any such remittance, the state treasurer shall deposit the same in the state treasury to the credit of the state school district finance fund.
- (e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments thereto.
- Sec. 8. (a) The enrollment of a school district shall be determined in the manner provided by this section.
- (b) Unless otherwise specifically provided, the enrollment of a district shall be the number of pupils regularly enrolled in the district on September 20.
- (c) For districts scheduling the school days or school hours of the school term on a trimestral or quarterly basis, the enrollment of the district shall be the full-time equivalent number of pupils regularly enrolled in the district on September 20 plus the full-time equivalent number of pupils regularly enrolled in the district on February 20 less the full-time equivalent number of pupils regularly enrolled on February 20 who were counted in the enrollment of the district on September 20.
- (d) If enrollment in a district in any school year has decreased from enrollment in the preceding school year, enrollment of the district in the current school year means whichever is the greater of (1) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled, plus enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled; or (2) the sum of enrollment in the current school year of preschool-aged at-risk pupils, if any such pupils are enrolled and the average (mean) of the sum of (A) enrollment of the district in the current school year minus enrollment in such school year of pre-

school-aged at-risk pupils, if any such pupils are enrolled and (B) enrollment in the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled and (C) enrollment in the school year next preceding the preceding school year minus enrollment in such school year of preschool-aged at-risk pupils, if any such pupils were enrolled.

- (e) If the state board of education determines that the enrollment of a school district in the preceding school year had decreased from the enrollment in the second preceding school year and that a disaster had contributed to such decrease, the enrollment of such district in the second school year following the school year in which the enrollment of the school district was first affected by the disaster shall be the greater of:
- (1) The enrollment of preschool-aged at-risk pupils, if any, plus the average of the enrollment for the current and the preceding three school years, excluding the enrollment of preschool-age at-risk pupils in each such year; or
- (2) the enrollment of the district as otherwise determined by this section.
- (3) As used in this subsection (e), "disaster" means the occurrence of widespread or severe damage, injury or loss of life or property resulting from disease, flood, earthquake, tornado, wind, storm, drought, blight or infestation.
- (f) For districts whose enrollment includes military pupils, the enrollment of the district shall be determined as follows. Each school year, the state board shall:
- (1) Determine the number of pupils enrolled in each district on September 20;
- (2) determine the number of military pupils enrolled in each district on February 20, who were not enrolled on the preceding September 20;
- (3) (A) if the number obtained under (f)(2) is 25 or more, an amount equal to the number obtained under (f)(2) shall be added to the number determined under (f)(1). The sum is the enrollment of the district.
- (B) If the number obtained under (f)(2) is at least 1% of the number determined under (f)(1), an amount equal to the number obtained under (f)(2) shall be added to the number determined under (f)(1). The sum is the enrollment of the district.
- (4) Districts desiring to determine enrollment under this subsection(f) shall submit any documentation or information required by the state board.
 - (5) As used in this subsection (f):
- (A) "Military pupil" means a person who is a dependent of a full-time active duty member of the military service or a dependent of a member of any of the United States military reserve forces who has been ordered

to active duty under section 12301, 12302 or 12304 of Title 10 of the United States Code, or ordered to full-time active duty for a period of more than 30 consecutive days under section 502(f) or 512 of Title 32 of the United States Code for the purposes of mobilizing for war, international peacekeeping missions, national emergency or homeland defense activities.

- (B) "School year" means school year 2012-2013.
- (g) (1) In order to be included in the full-time equivalent enrollment of a virtual school, a pupil shall be a resident of the state of Kansas and shall be in attendance at the virtual school on (A) a single school day on or before September 19 of each school year and (B) on a single school day on or after September 20, but before October 4 of each school year.
- (2) A school district which offers a virtual school shall determine the full-time equivalent enrollment of each pupil enrolled in the virtual school on September 20 of each school year as follows:
- (A) Determine the number of hours the pupil was in attendance on a single school day on or before September 19 of each school year;
- (B) determine the number of hours the pupil was in attendance on a single school day on or after September 20, but before October 4 of each school year;
 - (C) add the numbers obtained under paragraphs (A) and (B); and
- (D) divide the sum obtained under paragraph (C) by 12. The quotient is the full-time equivalent enrollment of the pupil.
- (3) The school days on which a district determines the full-time equivalent enrollment of a pupil under paragraphs (A) and (B) of subsection (g)(2) shall be the school days on which the pupil has the highest number of hours of attendance at the virtual school. No more than six hours of attendance may be counted in a single school day. Attendance may be shown by a pupil's on-line activity or entries in the pupil's virtual school journal or log of activities.
- (h) A pupil who is a foreign exchange student shall not be counted in the enrollment of a district unless such student is regularly enrolled in the district on September 20 and attending kindergarten or any of the grades one through 12 maintained by the district for at least one semester or two quarters or the equivalent thereof.
- Sec. 9. (a) The low enrollment state aid of each school district shall be determined by the state board as provided by this section.
- (b) For districts with enrollment of 800 or more, the low enrollment state aid shall be \$0.
- (c) For districts with enrollment of 300 or less, the low enrollment state aid shall be equal to the product obtained by multiplying \$1,200 by the enrollment of a district.
- (d) For districts with enrollment of more than 300, but less than 800,

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the low enrollment state aid shall be determined as follows:

- Determine the full-time equivalent enrollment of the district;
- subtract 300 from the number determined under (1);
- (3)multiply the difference obtained under (2) by \$2.40;
- (4)subtract the product obtained under (3) from \$1,200; and
- 6 multiply the difference obtained under (4) by the number deter-(5)mined under (1). The product is the low enrollment state aid for the district.
- 9 Sec. 10. (a) The block grant at-risk pupil state aid of each school district shall be determined by the state board as follows: 10
 - Determine the full-time equivalent enrollment of at-risk pupils in the district in pre-school and in grades below the fourth-grade level; and
 - multiply the number determined under (1) by \$800. The product is the block grant at-risk pupil state aid of the district.
 - All block grant at-risk pupil state aid shall be deposited in the atrisk education block grant fund.
 - (c) (1) Except as provided in paragraph (2), at least 1% of the amount a district receives as block grant at-risk state aid shall be used by the district for achieving mastery of basic reading skills by completion of the third grade in accordance with standards and outcomes of mastery identified by the state board under K.S.A. 72-7534, and amendments thereto.
 - (2) A district whose pupils substantially achieve the state board standards and outcomes of mastery of reading skills upon completion of third grade may be released, upon request, by the state board from the requirements of paragraph (1).
 - (d) A district shall include such information in its at-risk pupil assistance plan as the state board may require regarding the district's remediation strategies and the results thereof in achieving the third grade reading standards and outcomes of mastery identified by the state board. The reporting requirements shall include information documenting remediation strategies and improvement made by pupils who performed below the expected standard on the second grade diagnostic reading test prescribed by the state board.
 - Sec. 11. (a) The individual at-risk pupil state aid of each school district shall be determined by the state board as follows:
 - Determine the full-time equivalent enrollment of at-risk pupils in the district in grades 4 through 12; and
 - multiply the number determined under (1) by \$1,360. The product is the individual at-risk pupil state aid of the district.
- All individual at-risk state aid received by districts for pupils in grades 4 though 12 shall be deposited in the instructional fund of the district and transferred to the individual at-risk state aid fund for account-42 ing purposes and then shall be credited to the PSS account of each such 43

at-risk pupil.

Sec. 12. (a) The distribution of instructional state aid shall be made in accordance with appropriation acts each year as provided in this section.

- (b) (1) Each month during the school year, each district shall determine the amount of instructional expenses of the district for such month and shall certify such amount to the state board. Each school district also shall certify a list of KIDS numbers of pupils in the district for which instructional state aid is due for such month.
- (2) In the months of July through May of each school year, the state board shall determine the amount of instructional state aid which will be required by each district to pay the instructional expenses in each such month. The amount determined by the state board under this provision is the amount of instructional state aid which will be distributed to the district in the months of July through May.
- (3) In the month of June of each school year, subject to the provisions of subsection (e), payment shall be made of the full amount of the instructional state aid entitlement determined for the school year, less the sum of the monthly payments made in the months of July through May.
- (c) The state board shall prescribe the dates upon which the distribution of payments of instructional state aid to school districts shall be due. Payments of instructional state aid shall be distributed to districts once each month on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due as instructional state aid to each district in each of the months of July through June. Such certification, and the amount of instructional state aid payable from the state general fund, shall be approved by the director of the budget. The director of accounts and reports shall draw warrants on the state treasurer payable to the district treasurer of each district entitled to payment of instructional state aid, pursuant to vouchers approved by the state board. Upon receipt of such warrant, each district treasurer shall deposit the amount of instructional state aid in the instructional fund.
- (d) If any amount of instructional state aid that is due to be paid during the month of June of a school year pursuant to the other provisions of this section is not paid on or before June 30 of such school year, then such payment shall be paid on or after the ensuing July 1, as soon as moneys are available therefore. Any payment of instructional state aid that is due to be paid during the month of June of a school year and that is paid to school districts on or after the ensuing July 1 shall be recorded and accounted for by school districts as a receipt for the school year ending on the preceding June 30.
- 43 Sec. 13. If any district is paid more than it is entitled to receive under

any distribution made under this act or under any statute repealed by this act, the state board shall notify the district of the amount of such overpayment, and such district shall remit the same to the state board. The state board shall remit any moneys so received to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state school district finance fund. If any district fails so to remit, the state board shall deduct the excess amounts so paid from future payments becoming due to the district. In the event any distribution made under this act, the state board shall pay the additional amount due at any time within the school year in which the underpayment was made or within 60 days after the end of such school year.

- Sec. 14. (a) On or before August 25 of each year, the clerk or superintendent of each district shall certify, under oath, to the state board a copy of the budget adopted by the district.
- (b) On or before October 10 of each school year, the clerk or superintendent of each district shall certify, under oath, to the state board a report showing the total enrollment of the district by grades maintained in the schools of the district and such other reports as the state board may require. Each report shall show postsecondary education enrollment, special education enrollment and at-risk pupil enrollment in such detail and form as specified by the state board. Upon receipt of such reports, the state board shall examine the reports and if the state board finds any errors in any such report, the state board shall consult with the district officer furnishing the report and make such corrections in the report as are necessary.
- Sec. 15. If a district expends in any school year an amount for instructional expenses which exceeds its instructional fund budget, the state board shall determine the excess and deduct the same from amounts of instructional state aid payable to the district during the next school year.
- Sec. 16. In each school year, the board of any district may adopt, by resolution, a non-instructional budget.
- Sec. 17. (a) In each school year, each district that has adopted a non-instructional budget is eligible for non-instructional state aid. The amount of non-instructional state aid for a district shall be determined by the state board as provided in this subsection. The state board shall:
- (1) Determine the amount of the assessed valuation per pupil in the preceding school year of each district in the state;
- (2) rank the districts from low to high on the basis of the amounts of assessed valuation per pupil determined under (1);
- (3) identify the amount of the assessed valuation per pupil located at

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- (4) divide the assessed valuation per pupil of the district in the preceding school year by the amount identified under (3);
- (5) subtract the ratio obtained under (4) from 1.0. If the resulting ratio equals or exceeds 1.0, the eligibility of the district for entitlement to non-instructional state aid shall lapse. If the resulting ratio is less than 1.0, the district is entitled to receive non-instructional state aid in an amount which shall be determined by the state board by multiplying the amount of the non-instructional budget of the district by such ratio. The product is the amount of non-instructional state aid the district is entitled to receive for the school year.
- (b) If the amount of appropriations for non-instructional state aid is less than the amount each district is entitled to receive for the school year, the state board shall prorate the amount appropriated among the districts in proportion to the amount each district is entitled to receive as a matching amount for the local moneys derived from the levy imposed by the school board under section 18, and amendments thereto.
- (c) The state board shall prescribe the dates upon which the distribution of payments of non-instructional state aid to school districts shall be due. Payments of non-instructional state aid shall be distributed to districts on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due each district, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the district. Upon receipt of the warrant, the treasurer of the district shall credit the amount thereof to the non-instructional fund of the district to be used for the purposes of such fund.
- If any amount of non-instructional state aid that is due to be paid during the month of June of a school year pursuant to the other provisions of this section is not paid on or before June 30 of such school year, then such payment shall be paid on or after the ensuing July 1, as soon as moneys are available therefor. Any payment of non-instructional state aid that is due to be paid during the month of June of a school year and that is paid to school districts on or after the ensuing July 1 shall be recorded and accounted for by school districts as a receipt for the school year ending on the preceding June 30.
- (e) (1) Moneys received as non-instructional state aid shall be expended to pay the non-instructional expenses of the district.
- (2) Moneys received as non-instructional state aid shall not be expended to pay the instructional expenses of the district.
- (3) Moneys received as non-instructional state aid shall not be expended to pay capital outlay or capital improvement expenses of the 43 district.

 Sec. 18 (a) The board of every district that has adopted a non-instructional budget may levy an ad valorem tax on the taxable tangible property of the district for the purpose of financing that portion of the district's non-instructional budget which is not financed from any other source provided by law.

- (b) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the non-instructional fund of the district.
- (c) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments to such sections.
- Sec. 19. (a) (1) The provisions of this subsection (a) shall apply to school districts which have been consolidated pursuant to the procedure established in article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, if such consolidation is completed on or after July 1, 2012.
- (2) If two or more school districts consolidate and if one or more of the former districts had an enrollment of less than 300 pupils on September 20th of the school year preceding the consolidation, the newly consolidated district shall be entitled to non-instructional state aid under this section as determined by the state board. For the school year in which the consolidation was completed and for the two school years following the school year in which the consolidation was completed, the district shall be entitled to 105% of the amount of non-instructional state aid as computed under the REAL education act.
- (b) (1) The provisions of this subsection (b) shall apply to school districts which have been enlarged by the attachment of territory pursuant to the procedure established in article 73 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, if such attachment is completed on or after July, 2012.
- (2) If any of the former school districts had an enrollment of less than 300 pupils on September 20th of the school year preceding the attachment, the enlarged district shall be entitled to non-instructional state aid under this section as determined by the state board. For the school year in which the attachment was completed and for the two school years following the school year in which the attachment was completed, the district shall be entitled to 105% of the amount of non-instructional state aid as computed under the REAL education act.
- Sec. 20. Whenever a new district has been established or the boundaries of a district have been changed, the state board shall make appropriate revisions concerning the affected districts as may be necessary for

the purposes of this act to reflect such establishment of a district or changes in boundaries. Such revisions shall be based on the most reliable data obtainable from the superintendent of the district and the county clerk.

- Sec. 21. (a) There is hereby established in every district a fund which shall be called the instructional fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to the provision of instruction shall be paid from the instructional education fund.
- (b) $(\bar{1})$ The board of any district may transfer moneys from the instructional fund to any program fund of the district, subject to the following conditions:.
- (A) No board shall transfer moneys in any amount from the instructional fund to a program fund prior to maturation of the obligation of the fund necessitating the transfer.
- (B) The board may transfer moneys in an amount not to exceed the amount of the obligation of the program fund necessitating the transfer.
- (2) The board of any district may transfer moneys from the instructional fund to the textbook and student materials revolving fund.
- (c) (1) No school district shall expend, use or transfer any moneys from the instructional fund of the district for the purpose of:
- (A) Engaging in or supporting in any manner any litigation by the school district or any person, association, corporation or other entity against the state of Kansas, the state board of education, the state department of education, other state agency or any state officer or employee regarding the REAL education act or any other law concerning school finance.
- (B) Providing payments, donations or other funding to any person, association, corporation or other entity for use in any such litigation described in paragraph (A).
 - (C) Lobbying at the state or federal level.
- (2) School districts may provide funding of activities described in subsection (c)(1) from the non-instructional fund of the district.
- Sec. 22. (a) There is hereby established in every district that adopts a non-instructional budget a fund which shall be called the non-instructional fund. The fund shall consist of all amounts deposited therein or credited thereto according to law.
- (b) Amounts in the non-instructional fund may not be expended for the purpose of making payments under any lease-purchase agreement involving the acquisition of land or buildings which is entered into pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.
- 42 (c) Amounts in the non-instructional fund may not be expended to 43 pay instructional expenses.

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- (d) (1) The board of any district may transfer moneys from the non-instructional fund to the contingency reserve fund of the district.
- (2) The board of any district may transfer moneys from the non-instructional fund to the capital outlay fund of the district.
- (3) The board of any district may transfer moneys from the non-instructional fund to the special liability expense fund.
- (e) Any unexpended balance remaining in the non-instructional fund of a district at the conclusion of any school year in which a non-instructional budget is adopted shall be carried forward in the non-instructional fund for succeeding budget years.
- Sec. 23. (a) There is hereby established in every district a fund which shall be called the contingency reserve fund. Such fund shall consist of all moneys deposited therein or transferred thereto according to law. The fund shall be maintained for payment of expenses of a district attributable to financial contingencies as determined by the board.
- (b) Except as otherwise provided in subsection (c), at no time in any school year thereafter shall the amount maintained in the contingency reserve fund exceed an amount equal to 8% of the non-instructional fund budget of the district for the school year.
- (c) If the amount in the contingency reserve fund of a district is in excess of the amount authorized under subsection (b), and if such excess amount is the result of a reduction in the non-instructional fund budget of the district for the school year, the district may maintain the excess amount in the fund until depletion of such excess amount by expenditure from the fund for the purposes thereof.
- Sec. 24. (a) There is hereby established in every district a fund which shall be called the at-risk education block grant fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing at-risk assistance or programs for pre-school aged at-risk pupils and pupils in grades below the fourth-grade level shall be paid from the at-risk education block fund.
- (b) Any balance remaining in the at-risk education block fund at the end of the budget year shall be carried forward in the at-risk education block fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the at-risk education block fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.
- (c) Each year the board of education of each school district shall

prepare and submit to the state board a report on the at-risk program or assistance provided by the district. Such report shall include information specifying the number of pre-school aged at-risk pupils and pupils in grades below the fourth-grade level who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

- (d) In order to achieve uniform reporting of the number of pre-school aged at-risk pupils and pupils in grades below the fourth-grade level provided service or assistance by school districts in at-risk programs, districts shall report the number of such at-risk pupils served or assisted in the manner required by the state board.
- Sec. 25. (a) There is hereby established in every district a fund which shall be called the individual at-risk education state aid fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing at-risk assistance or programs for pupils in grades 4 through 12 shall be paid from the at-risk education fund.
- (b) Any balance of at-risk state aid remaining in the individual at-risk education state aid fund at the end of the budget year shall be allocated among the at-risk pupils in grades 4 through 12 in the district and such allocated amounts shall be credited to the PSS accounts of the at-risk pupils in grades 4 through 12 in the district. The individual at-risk education state aid fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the individual at-risk education state aid fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.
- (c) Each year the board of education of each school district shall prepare and submit to the state board a report on the at-risk program or assistance provided by the district. Such report shall include information specifying the number of at-risk pupils in grades 4 through 12 who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.
- (d) In order to achieve uniform reporting of the number of at-risk pupils in grades 4 through 12 who were provided service or assistance by school districts in at-risk programs, districts shall report the number of such at-risk pupils served or assisted in the manner required by the state

board.

Sec. 26. (a) There is hereby established in every district a fund which shall be called the special education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the district from whatever source for special education shall be credited to the special education fund established by this section, except that (1) amounts of payments received by a district under K.S.A. 72-979, and amendments thereto, and amounts of grants, if any, received by a district under K.S.A. 72-983, and amendments thereto, shall be deposited in the instructional fund of the district and transferred to the special education fund, and (2) moneys received by a district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special fund established under the agreements.

- (b) The expenses of a district directly attributable to special education shall be paid from the special education fund and from special funds established under K.S.A. 72-968, and amendments thereto.
- (c) Obligations of a district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be paid from the special education fund established by this section.
- Sec. 27. There is hereby established in every district a fund which shall be called the driver training fund which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the district from distributions made from the state safety fund and the motorcycle safety fund and from tuition, fees or charges for driver training courses shall be credited to the driver training fund. The expenses of a district directly attributable to driver training shall be paid from the driver training fund.
- Sec. 28. There is hereby established in every district a fund which shall be called the food service fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the district for food service and from charges for food service shall be credited to the food service fund. The expenses of a district attributable to food service shall be paid from the food service fund.
- Sec. 29. (a) There is hereby established in every school district a special liability expense fund. Moneys in such fund shall be used to:
- (1) Pay the cost of providing for its defense and the defense of employees in any litigation arising from their actions or failure to act as an employee of the district and for the payment of claims and other direct and indirect costs resulting from such litigation;
 - (2) pay judgments rendered against the district;
- 42 (3) pay claims, judgments, expenses and other purposes relating to 43 health care services, disability income benefits and group life insurance

benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

- (4) pay costs relating to uninsured losses; and
- (5) pay the cost of workers compensation insurance and workers compensation claims, awards, expenses and other purposes authorized by the workers compensation act.
- (b) The district shall credit to the special liability expense fund any moneys received by the district from any source which may be lawfully utilized for the purposes specified by this section including the proceeds of tax levies hereinafter authorized and provided. Any balance remaining in the special liability expense fund at the end of the budget year shall be carried forward in that fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In making the budget of the district, the amounts credited to and the amount on hand in such special fund, and the amount expended therefrom, shall be included in the annual budget for the information of the residents of the district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.
- (c) Whenever the governing body of any school district determines that moneys from other sources will be insufficient to pay such costs, the governing body is hereby authorized to levy an annual tax upon all taxable tangible property within the district in an amount determined by the governing body to be necessary for such purpose and to pay 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 in such school district.
- Sec. 30. The special education and related services weighting of each district shall be determined in each school year as follows:
- (a) Add the amount of payments received by the district under the provisions of K.S.A. 72-979, and amendments thereto, to the amount of a grant, if any, received by the district under the provisions of K.S.A. 72-983, and amendments thereto;
- (b) divide the sum obtained under (a) by base state aid per pupil. The quotient is the special education and related services weighting of the district.
- Sec. 31. (a) In order to assist parents, education providers and pupils in making educational and career plans and to provide a preliminary indication of the general category of career paths that a pupil might be interested in pursuing, each pupil who enters grade 6 shall be given the Kuder career assessment or other appropriate career assessment selected by the district.
- (b) After completion of the assessment required by subsection (a), each pupil and the pupil's parent or guardian shall meet with a school career development facilitator to discuss the results of the assessment and

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- (c) Each year following the initial assessment, the educational plan shall be reviewed and revised, if necessary, in order to keep the pupil focused on the selected career path or a new career path if the pupil desires and to ensure that the pupil is taking the proper courses or classes to prepare for the career path selected by the pupil.
- Sec. 32. (a) Each school year the state board shall determine the average amount expended per pupil by school districts for instructional expenses for the following grade-level tiers:
 - Tier 1, which shall include elementary grade-levels and below.
- (2)Tier 2, which shall include middle school and junior high gradelevels.
- Tier 3, which shall include high school grade-levels and shall in-(3)clude career technical education courses of instruction or class work which will prepare pupils who intend to enter the workforce directly upon graduation from high school or who intend to pursue a postsecondary certificate or degree with an emphasis in career technical education.
- (4) Tier 4, which shall include high school grade-levels and shall consist of courses of instruction or class work which prepare pupils who intend to pursue a postsecondary degree with an emphasis in areas other than career technical education.
- (b) (1) (A) Each school year every school district shall report the amount of moneys expended by the district as instructional expenses.
- Expenditures from the enrichment fund of a district shall be reported separately from expenditures from the instructional fund of a district.
- (C) All expenditures shall be reported using the uniform chart of accounts adopted by the state board.
- (2) The state board shall analyze the expenditure information submitted pursuant to paragraph (1)(A), and based on such analysis the state board shall recommend to the legislature the amount of base state aid per pupil which shall be equal in amount to the average amount expended for the four grade tier levels.
- (3) For school year 2012-2013, the amount of the base state aid per pupil for all grade-levels shall be \$4,520.
 - Sec. 33. (a) As used in this section:
- 38 (1) "Institution" means a postsecondary educational institution or a 39 private postsecondary educational institution located within the state of 40 Kansas.
- "Postsecondary educational institution" and "private postsecondary educational institution" have the meanings ascribed thereto in K.S.A. 43 74-3201b, and amendments thereto.

- (b) There shall be established a personal student scholarship (PSS) account for every student upon enrolling in a public school for the first time in the state of Kansas. The PSS account shall be maintained by the school district in which the student is enrolled. Each year an amount equal to the base state aid per pupil and any low enrollment state aid and atrisk state aid attributable to the pupil shall be credited to each student's PSS account. Any moneys credited to a PSS account shall be expended by a school district solely for the purpose of paying the instructional expenses of such student.
- (c) Each year a school district shall deduct from each student's PSS account an amount equal to the average amount expended per pupil for instructional expenses for the student's tier level as determined by the state board under section 32, and amendments thereto, plus any low enrollment state aid and at-risk state aid attributable to such student. Any balance remaining in a student's PSS account at the end of the school year shall be carried forward in such account for succeeding school years. Such accounts shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. Reports of amounts credited to and the amount on hand in a student's PSS account, and the amount expended therefrom shall be available to the state board, student and the student's parent. Interest earned on the investment of moneys in any such account shall be credited to that account.
- (d) If a student transfers to another school district in the state of Kansas the student's PSS account shall be transferred to the school district in which the student is enrolled. If a student withdraws from enrollment in a public school in the state of Kansas, any balance in the student's PSS account shall remain in such account until the student returns to enrollment in a public school in the state of Kansas or shall be credited to the state school district finance fund as provided by subsection (f).
- (e) Upon graduation from high school, any balance in a student's PSS account shall be made available to such student for the payment of expenses at a postsecondary institution.
- (f) Any balance remaining in a student's PSS account at the end of the school year in which such student reaches age 21 shall be transferred to the state school district finance fund.
- (g) The state board may adopt any rules and regulations deemed necessary to implement the provisions of this section.
- Sec. 34. (a) The state board of education may adopt rules and regulations providing for the issuance, renewal, reinstatement, registration, limitation, suspension or cancellation of licenses for career development facilitators (CDF) and the imposition of fees therefor.
- (b) An applicant for an initial issuance of a license as a career development facilitator shall take and satisfactorily pass an examination pre-

 scribed by the state board.

- (c) A person issued a license, any license issued or fee imposed pursuant to this section, shall be subject to the same conditions and limitations imposed under this section and article 13 of chapter 72 of the Kansas Statutes Annotated or any other law relating to the licensure of teachers in the state of Kansas.
- (d) In order to qualify for the issuance of a CDF license, an applicant shall:
- (1) Have received at least 120 hours of in-depth training in the areas of career development. Such training shall be provided by a nationally qualified and certified trainer and shall be centered around the competencies which have been developed by the national career development association (NCDA), the professional association for career development in the United States. After completion of the training, an individual may apply for and received the NBCC certification;
- (2) be certified by the subsidiary of the national board for certified counselors (NBCC), known as the center for credentialing and education; and
- (3) (A) have at least 1,400 hours of career development experience in the case of an applicant holding a graduate degree;
- (B) have at least 2,800 hours of career development experience in the case of an applicant holding a baccalaureate degree;
- (C) have at least 4,200 hours of career development experience in the case of an applicant holding an associate degree or who has successfully completed at least two years at a postsecondary institution; or
- (D) have at least 5,600 hours of career development experience in the case of an applicant who holds a high school diploma or a general educational development (GED) certificate.
- Sec. 35 (a) In order to accomplish the mission for Kansas education, the state board of education shall design and adopt a school performance accreditation system based upon improvement in performance that reflects high academic standards and is measurable.
- (b) The state board shall establish curriculum standards which reflect high academic standards for the core academic areas of mathematics, science, reading, writing and social studies. The curriculum standards shall be reviewed at least every seven years. Nothing in this subsection shall be construed in any manner so as to impinge upon any district's authority to determine its own curriculum.
- (c) (1) Except as provided by paragraph (2), the state board shall provide for statewide assessments in the core academic areas of mathematics, science, reading, writing and social studies. The board shall ensure compatibility between the statewide assessments and the curriculum standards established pursuant to subsection (b). Such assessments shall be

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administered at three grade levels, as determined by the board. The state board shall determine performance levels on the statewide assessments, the achievement of which represents high academic standards in the academic area at the grade level to which the assessment applies. The state board should specify high academic standards both for individual performance and school performance on the assessments.

- (2) Any student in grades 11 and 12 who is enrolled in the career technical education curriculum of a district shall not be required to take the statewide assessments provided under paragraph (1) if such student takes an appropriate work-readiness certificate assessment. The results of such work-readiness certificate assessment shall suffice for the purposes of determining QPA and AYP results.
- (d) Each school in every district shall establish a school site council composed of the principal and representatives of teachers and other school personnel, parents of pupils attending the school, the business community, and other community groups. School site councils shall be responsible for providing advice and counsel in evaluating state, school district, and school site performance goals and objectives and in determining the methods that should be employed at the school site to meet these goals and objectives. Site councils may make recommendations and proposals to the school board regarding budgetary items and school district matters, including, but not limited to, identifying and implementing the best practices for developing efficient and effective administrative and management functions. Site councils also may help school boards analyze the unique environment of schools, enhance the efficiency and maximize limited resources, including outsourcing arrangements and cooperative opportunities as a means to address limited budgets.
- (e) Within the 16 career clusters established by the state board, the state board shall align curriculum standards which reflect high academic standards for mathematics, language arts and science with nationally or state recognized career and technical certifications in order that all or part of the graduation requirements for mathematics, language arts and science may be achieved within the career and technical curriculum in order that a student who has entered a career and technical cluster may achieve one or more appropriate certifications at the same time that the student is achieving a high school diploma, or if the student receives a high school diploma, the student has the opportunity to move seamlessly into postsecondary education to finish the certification.
- Sec. 36. In each school year, the board of any district may adopt, by resolution, an enrichment budget.
- Sec. 37. (a) In each school year, each district that has adopted an enrichment budget is eligible for enrichment state aid. The amount of

enrichment state aid for a district shall be determined by the state board as provided in this subsection. The state board shall:

- (1) Determine the amount of the assessed valuation per pupil in the preceding school year of each district in the state;
- (2) rank the districts from low to high on the basis of the amounts of assessed valuation per pupil determined under (1);
- (3) identify the amount of the assessed valuation per pupil located at the 88.6 percentile of the amounts ranked under (2);
- (4) divide the assessed valuation per pupil of the district in the preceding school year by the amount identified under (3);
- (5) subtract the ratio obtained under (4) from 1.0. If the resulting ratio equals or exceeds 1.0, the eligibility of the district for entitlement to enrichment state aid shall lapse. If the resulting ratio is less than 1.0, the district is entitled to receive enrichment state aid in an amount which shall be determined by the state board by multiplying the amount of the enrichment budget of the district by such ratio. The product is the amount of enrichment state aid the district is entitled to receive for the school year.
- (b) If the amount of appropriations for enrichment state aid is less than the amount each district is entitled to receive for the school year, the state board shall prorate the amount appropriated among the districts in proportion to the amount each district is entitled to receive.
- (c) The state board shall prescribe the dates upon which the distribution of payments of enrichment state aid to school districts shall be due. Payments of enrichment state aid shall be distributed to districts on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due each district, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the district. Upon receipt of the warrant, the treasurer of the district shall credit the amount thereof to the enrichment fund of the district to be used for the purposes of such fund.
- (d) If any amount of enrichment state aid that is due to be paid during the month of June of a school year pursuant to the other provisions of this section is not paid on or before June 30 of such school year, then such payment shall be paid on or after the ensuing July 1, as soon as moneys are available therefor. Any payment of enrichment state aid that is due to be paid during the month of June of a school year and that is paid to school districts on or after the ensuing July 1 shall be recorded and accounted for by school districts as a receipt for the school year ending on the preceding June 30.
- Sec. 38. (a) The board of every district that has adopted an enrichment budget may levy an ad valorem tax on the taxable tangible property

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of the district for the purpose of financing the enrichment budget of the district and to pay a portion of the principal and interest on bonds issued 2 3 by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the 4 district. 5

- (b) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the enrichment fund of the district.
- (c) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-1964b, and amendments thereto.
- Sec. 39. (a) There is hereby established in every district that adopts an enrichment budget a fund which shall be called the enrichment fund. The fund shall consist of all amounts deposited therein or credited thereto according to law.
- Moneys in the enrichment fund may be used solely for instructional expenses. Moneys in such fund shall be allocated equally among all pupils in the district on a full-time equivalent basis and shall be credited to the PSS account of each pupil in the district in the same manner that the base state aid per pupil is credited under section 33, and amendments thereto.
- Sec. 40. On and after July 1, 2012, K.S.A. 72-6406, 72-6408, 72-6411, 24 25 72-6415, 72-6416, 72-6418, 72-6419, 72-6420, 72-6422, 72-6423, 72-26 6424, 72-6427, 72-6429, 72-6432, 72-6436, 72-6437, 72-6444, 72-6446, 27 72-6447, 72-7105a, 72-8237 and K.S.A. 2009 Supp. 72-3715, 72-3716, 72-28 6405, 72-6407, 72-6409, 72-6410, 72-6412, 72-6413, 72-6414, 72-6414a, 29 72-6414b, 72-6415b, 72-6417, 72-6421, 72-6425, 72-6426, 72-6428, 72-30 6430, 72-6431, 72-6433, 72-6433d, 72-6434, 72-6434b, 72-6435, 72-6438, 31 72-6439, 72-6439a, 72-6441, 72-6442b, 72-6443, 72-6445a, 72-6448, 72-32 6449, 72-6450, 72-6451, 72-6452, 72-6453, 72-6454, 72-6455, 72-6456, 33 72-6457, 72-6458, 72-6459, 72-64b01, 72-64c01, 72-64c03, 72-64c04, 72-34 8238, 72-8248, 72-8249, 72-8250, 72-9509 and 72-9609 are hereby 35 repealed.
- 36 Sec. 41. This act shall take effect and be in force from and after July 37 1, 2011 and its publication in the statute book.