

SENATE BILL No. 21

By Legislative Educational Planning Committee

1-14

1 AN ACT concerning school districts; relating to school finance; **enacting**
2 **the Kansas uniform financial accounting and reporting act;**
3 **[relating to transportation of pupils;]** amending K.S.A. 2010 Supp.
4 72-6441, 72-6449, ~~and~~ 72-6451 **and 72-8254** and repealing the existing
5 sections.
6

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

8 Section 1. K.S.A. 2010 Supp. 72-6441 is hereby amended to read as
9 follows: 72-6441. (a) (1) The board of any district to which the provisions
10 of this subsection apply may levy an ad valorem tax on the taxable
11 tangible property of the district each year for a period of time not to
12 exceed two years in an amount not to exceed the amount authorized by the
13 state court of tax appeals under this subsection for the purpose of financing
14 the costs incurred by the state that are directly attributable to assignment of
15 ancillary school facilities weighting to enrollment of the district. The state
16 court of tax appeals may authorize the district to make a levy which will
17 produce an amount that is not greater than the difference between the
18 amount of costs directly attributable to commencing operation of one or
19 more new school facilities and the amount that is financed from any other
20 source provided by law for such purpose, including any amount
21 attributable to assignment of school facilities weighting to enrollment of
22 the district for each school year in which the district is eligible for such
23 weighting. If the district is not eligible, or will be ineligible, for school
24 facilities weighting in any one or more years during the two-year period
25 for which the district is authorized to levy a tax under this subsection, the
26 state court of tax appeals may authorize the district to make a levy, in such
27 year or years of ineligibility, which will produce an amount that is not
28 greater than the actual amount of costs attributable to commencing
29 operation of the facility or facilities.

30 (2) The state court of tax appeals shall certify to the state board of
31 education the amount authorized to be produced by the levy of a tax under
32 subsection (a).

33 (3) The state court of tax appeals may adopt rules and regulations
34 necessary to effectuate the provisions of this subsection, including rules

1 and regulations relating to the evidence required in support of a district's
2 claim that the costs attributable to commencing operation of one or more
3 new school facilities are in excess of the amount that is financed from any
4 other source provided by law for such purpose.

5 (4) The provisions of this subsection apply to any district that: (A)
6 Commenced operation of one or more new school facilities in the school
7 year preceding the current school year or has commenced or will
8 commence operation of one or more new school facilities in the current
9 school year or any or all of the foregoing; (B) is authorized to adopt and
10 has adopted a local option budget which is at least equal to that amount
11 required to qualify for school facilities weighting under K.S.A. 2010 Supp.
12 72-6415b, and amendments thereto; and (C) is experiencing extraordinary
13 enrollment growth as determined by the state board of education.

14 (b) The board of any district that has levied an ad valorem tax on the
15 taxable tangible property of the district each year for a period of two years
16 under authority of subsection (a) may continue to levy such tax under
17 authority of this subsection each year for an additional period of time not
18 to exceed three years in an amount not to exceed the amount computed by
19 the state board of education as provided in this subsection if the board of
20 the district determines that the costs attributable to commencing operation
21 of one or more new school facilities are significantly greater than the costs
22 attributable to the operation of other school facilities in the district. The tax
23 authorized under this subsection may be levied at a rate which will
24 produce an amount that is not greater than the amount computed by the
25 state board of education as provided in this subsection. In computing such
26 amount, the state board shall: (1) Determine the amount produced by the
27 tax levied by the district under authority of subsection (a) in the second
28 year for which such tax was levied and add to such amount the amount of
29 general state aid directly attributable to school facilities weighting that was
30 received by the district in the same year, ~~and~~; (2) compute 75% of the
31 amount of the sum obtained under (1), which computed amount is the
32 amount the district may levy in the first year of the three-year period for
33 which the district may levy a tax under authority of this subsection, ~~and~~; ;
34 (3) compute 50% of the amount of the sum obtained under (1), which
35 computed amount is the amount the district may levy in the second year of
36 the three-year period for which the district may levy a tax under authority
37 of this subsection; ; and (4) compute 25% of the amount of the sum
38 obtained under (1), which computed amount is the amount the district may
39 levy in the third year of the three-year period for which the district may
40 levy a tax under authority of this subsection.

41 *In determining the amount produced by the tax levied by the district*
42 *under authority of subsection (a), the state board shall include any moneys*
43 *which have been apportioned to the ancillary facilities fund of the district*

1 *from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-*
2 *5118 et seq., and amendments thereto.*

3 (c) The proceeds from the tax levied by a district under authority of
4 this section shall be remitted to the state treasurer in accordance with the
5 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of
6 each such remittance, the state treasurer shall deposit the entire amount in
7 the state treasury to the credit of the state school district finance fund.

8 Sec. 2. K.S.A. 2010 Supp. 72-6449 is hereby amended to read as
9 follows: 72-6449. (a) As used in this section, "school district" or "district"
10 means a school district authorized to make a levy under this section.

11 (b) The board of education of any district may levy a tax on the
12 taxable tangible property within the district for the purpose of financing
13 the costs incurred by the state that are attributable directly to assignment of
14 the cost of living weighting to the enrollment of the district. There is
15 hereby established in every school district a fund which shall be called the
16 cost of living fund, which fund shall consist of all moneys deposited
17 therein or transferred thereto in accordance with law. All moneys derived
18 from a tax imposed pursuant to this section shall be credited to the cost of
19 living fund. The proceeds from the tax levied by a district credited to the
20 cost of living fund shall be remitted to the state treasurer in accordance
21 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
22 receipt of each such remittance, the state treasurer shall deposit the entire
23 amount in the state treasury to the credit of the state school district finance
24 fund.

25 (c) The state board of education shall determine whether a district
26 may levy a tax under this section as follows:

27 (1) Determine the statewide average appraised value of single family
28 residences for the calendar year preceding the current school year;

29 (2) multiply the amount determined under (1) by 1.25;

30 (3) determine the average appraised value of single family residences
31 in each school district for the calendar year preceding the current school
32 year; and

33 (4) (A) subtract the amount determined under (2) from the amount
34 determined under (3). If the amount determined for the district under this
35 paragraph is a positive number and the district is authorized to adopt and
36 has adopted a local option budget in an amount equal to at least 31% of the
37 state financial aid for the school district, the district qualifies for
38 assignment of cost of living weighting and may levy a tax on the taxable
39 tangible property of the district for the purpose of financing the costs that
40 are attributable directly to assignment of the cost of living weighting to
41 enrollment of the district; or

42 (B) As an alternative to the authority provided in paragraph (4)(A), if
43 a district was authorized to make a levy pursuant to this section in school

1 year 2006-2007, such district shall remain authorized to levy such tax at a
2 rate necessary to generate revenue in the same amount generated in school
3 year 2006-2007 if: (i) The amount determined under paragraph (4)(A) is a
4 positive number; and (ii) the district continues to adopt a local option
5 budget in an amount equal to the state prescribed percentage in effect in
6 school year 2006-2007.

7 (d) No tax may be levied under this section unless the board of
8 education adopts a resolution authorizing such a tax levy and publishes the
9 resolution at least once in a newspaper having general circulation in the
10 district. Except as provided by subsection (e), the resolution shall be
11 published in substantial compliance with the following form:

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

14 RESOLUTION

15 Be It Resolved that:

16 The board of education of the above-named school district shall be
17 authorized to levy an ad valorem tax in an amount not to exceed the
18 amount necessary to finance the costs attributable directly to the
19 assignment of cost of living weighting to the enrollment of the district. The
20 ad valorem tax authorized by this resolution may be levied unless a
21 petition in opposition to the same, signed by not less than 5% of the
22 qualified electors of the school district, is filed with the county election
23 officer of the home county of the school district within 30 days after the
24 publication of this resolution. If a petition is filed, the county election
25 officer shall submit the question of whether the levy of such a tax shall be
26 authorized in accordance with the provisions of this resolution to the
27 electors of the school district at the next general election of the school
28 district, as is specified by the board of education of the school district.

29 CERTIFICATE

30
31 This is to certify that the above resolution was duly adopted by the
32 board of education of Unified School District No. _____,
33 _____ County, Kansas, on the ____ day of _____, (year)____.

34 _____
35 Clerk of the board of education.

36
37 All of the blanks in the resolution shall be filled. If no petition as
38 specified above is filed in accordance with the provisions of the resolution,
39 the resolution authorizing the ad valorem tax levy shall become effective.
40 If a petition is filed as provided in the resolution, the board may notify the
41 county election officer to submit the question of whether such tax levy
42 shall be authorized. If the board fails to notify the county election officer
43 within 30 days after a petition is filed, the resolution shall be deemed

1 abandoned and of no force and effect and no like resolution shall be
2 adopted by the board within the nine months following publication of the
3 resolution. If a majority of the votes cast in an election conducted pursuant
4 to this provision are in favor of the resolution, such resolution shall be
5 effective on the date of such election. If a majority of the votes cast are not
6 in favor of the resolution, the resolution shall be deemed of no effect and
7 no like resolution shall be adopted by the board within the nine months
8 following such election.

9 *(e) In determining the amount produced by the tax levied by the*
10 *district under the authority of this section, the state board shall include*
11 *any moneys which have been apportioned to the cost of living fund of the*
12 *district from taxes levied under the provisions of K.S.A. 79-5101 et seq.*
13 *and 79-5118 et seq., and amendments thereto.*

14 Sec. 3. K.S.A. 2010 Supp. 72-6451 is hereby amended to read as
15 follows: 72-6451. (a) As used in this section:

16 (1) "School district" or "district" means a school district which: (A)
17 Has a declining enrollment; and (B) has adopted a local option budget in
18 an amount which equals at least 31% of the state financial aid for the
19 school district at the time the district applies to the state court of tax
20 appeals for authority to make a levy pursuant to this section.

21 (2) "Declining enrollment" means an enrollment which has declined
22 in amount from that of the preceding school year.

23 (b) (1) (A) A school district may levy an ad valorem tax on the
24 taxable tangible property of the district each year for a period of time not
25 to exceed two years in an amount not to exceed the amount authorized by
26 the state court of tax appeals under this subsection for the purpose of
27 financing the costs incurred by the state that are directly attributable to
28 assignment of declining enrollment weighting to enrollment of the district.
29 The state court of tax appeals may authorize the district to make a levy
30 which will produce an amount that is not greater than the amount of
31 revenues lost as a result of the declining enrollment of the district. Such
32 amount shall not exceed 5% of the general fund budget of the district in
33 the school year in which the district applies to the state court of tax appeals
34 for authority to make a levy pursuant to this section.

35 (B) As an alternative to the authority provided in paragraph (1)(A), if
36 a district was authorized to make a levy pursuant to this section in school
37 year 2006-2007, such district shall remain authorized to make a levy at a
38 rate necessary to generate revenue in the same amount that was generated
39 in school year 2007-2008 if the district adopts a local option budget in an
40 amount equal to the state prescribed percentage in effect in school year
41 2006-2007.

42 (2) The state court of tax appeals shall certify to the state board the
43 amount authorized to be produced by the levy of a tax under this section.

1 (3) The state board shall prescribe guidelines for the data that school
2 districts shall include in cases before the state court of tax appeals pursuant
3 to this section.

4 (c) A district may levy the tax authorized pursuant to this section for a
5 period of time not to exceed two years unless authority to make such levy
6 is renewed by the state court of tax appeals. The state court of tax appeals
7 may renew the authority to make such levy for periods of time not to
8 exceed two years.

9 (d) The state board shall provide to the state court of tax appeals such
10 school data and information requested by the state court of tax appeals and
11 any other information deemed necessary by the state board.

12 (e) There is hereby established in every district a fund which shall be
13 called the declining enrollment fund. Such fund shall consist of all moneys
14 deposited therein or transferred thereto according to law. The proceeds
15 from the tax levied by a district under authority of this section shall be
16 credited to the declining enrollment fund of the district. The proceeds from
17 the tax levied by a district credited to the declining enrollment fund shall
18 be remitted to the state treasurer in accordance with the provisions of
19 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
20 remittance, the state treasurer shall deposit the entire amount in the state
21 treasury to the credit of the state school district finance fund.

22 (f) *In determining the amount produced by the tax levied by the*
23 *district under authority of this section, the state board shall include any*
24 *moneys which have been apportioned to the declining enrollment fund of*
25 *the district from taxes levied under the provisions of K.S.A. 79-5101 et seq.*
26 *and 79-5118 et seq., and amendments thereto.*

27 **Sec. 4. K.S.A. 2010 Supp. 72-8254 is hereby amended to read as**
28 **follows: 72-8254. ~~In order to achieve uniform reporting of expenditures by~~**
29 **~~school districts in school district budgets, districts shall report~~**
30 **~~expenditures in the manner required by the state board.~~**

31 (a) *This section shall be known and may be cited as the Kansas*
32 *uniform financial accounting and reporting act.*

33 (b) *As used in this section:*

34 (1) *"Reporting system" means the uniform reporting system,*
35 *including a uniform chart of accounts, developed by the state board as*
36 *required by this section.*

37 (2) *"School district" means any school district in the state.*

38 (3) *"State board" means the state board of education.*

39 (c) *The state board shall develop and maintain a uniform reporting*
40 *system for the receipts and expenditures of school districts. The*
41 *accounting records maintained by each school district shall be*
42 *coordinated with the uniform reporting system. Each school district shall*
43 *record the receipts and expenditures of the district in accordance with a*

1 *uniform classification of accounts or chart of accounts and reports as*
 2 *shall be prescribed by the state board. Each school district shall submit*
 3 *such reports and statements as may be required by the state board. The*
 4 *state board shall design, revise and direct the use of accounting records*
 5 *and fiscal procedures and prescribe uniform classifications for receipts*
 6 *and expenditures for all school districts. The reporting system shall*
 7 *include budgetary and proprietary (real) accounts. The state board shall*
 8 *prescribe the necessary forms to be used by school districts in connection*
 9 *with such uniform reporting system.*

10 *(d) The reporting system developed by the state board shall be*
 11 *developed in such a manner that allows school districts to record and*
 12 *report any information required by state or federal law.*

13 *(e) The reporting system shall provide records showing by funds,*
 14 *accounts and other pertinent classifications, the amounts appropriated,*
 15 *the estimated revenues, actual revenues or receipts, the amounts available*
 16 *for expenditure, the total expenditures, the unliquidated obligations, actual*
 17 *balances on hand and the unencumbered balances of allotments or*
 18 *appropriations for each school district.*

19 *(f) The reporting system shall allow a person to search the data and*
 20 *allow for the comparison of data by school district.*

21 *(g) As part of the uniform reporting system established pursuant to*
 22 *this section, each school district shall annually submit a report to the state*
 23 *board on the receipts and expenditures of the activity fund accounts and*
 24 *the construction fund accounts of such school district. Such report shall be*
 25 *submitted in a form and manner prescribed by the state board in*
 26 *accordance with the provisions of this section.*

27 *(h) From and after July 1, 2012, the board of education of each*
 28 *school district shall record and report the receipts and expenditures of the*
 29 *district in the manner prescribed by the state board in accordance with*
 30 *this section.*

31 *(i) Each school district shall annually publish on such district's*
 32 *internet website a copy of form 150, estimated legal maximum general*
 33 *fund budget, or any successor document containing the same or similar*
 34 *information, that was submitted by such district to the state board of*
 35 *education for the immediately preceding school year. A copy of such*
 36 *document shall also be annually published by the department of education*
 37 *on its internet website. Publications pursuant to this subsection shall be*
 38 *conducted in such manner as to make the document readily accessible to*
 39 *the public.*

40 *(j) The department of education shall annually publish on its internet*
 41 *website the following expenditures for each school district on a per pupil*
 42 *basis: (1) Total expenditures; (2) capital outlay expenditures; (3) bond and*
 43 *interest expenditures; and (4) all other expenditures not included in (2) or*

1 (3).

2 [New Sec. 5. (a) The board of education of Fort Leavenworth,
3 U.S.D. No. 207 may provide transportation for any pupil in grades 10
4 through 12 who resides on Fort Leavenworth military reservation, but
5 who is enrolled in and attends high school in Leavenworth, U.S.D. No.
6 453.

7 (b) Solely for the purpose of computation of transportation
8 weighting, as provided by this section, any pupil provided
9 transportation pursuant to this section shall be counted as regularly
10 enrolled in and attending school in U.S.D. No. 207 on September 20 of
11 the current school year.]

12 Sec. ~~4. 5.~~ [6.] K.S.A. 2010 Supp. 72-6441, 72-6449, and 72-6451 and
13 72-8254 are hereby repealed.

14 Sec. ~~5. 6.~~ [7.] This act shall take effect and be in force from and after
15 its publication in the statute book.