

Senate Substitute for HOUSE BILL No. 2186

By Select Committee on Education Finance

5-25

1 AN ACT concerning education; relating to the instruction and financing
2 thereof; making and concerning appropriations for the fiscal years
3 ending June 30, 2018, and June 30, 2019, for the department of
4 education; creating the Kansas school equity and enhancement act;
5 amending K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-
6 1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-
7 1398, 72-1414, 72-1923, 72-3712, 72-3715, 72-5333b, 72-64b01, 72-
8 64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-
9 7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8249, 72-
10 8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-8801, 72-
11 8804, 72-8908, 72-9509, 72-9609, 72-99a02, 72-99a02, as amended by
12 section 92 of this act, 72-99a04, 74-4939a, 74-8925, 74-99b43, 75-
13 2319, 79-201x, 79-213, 79-2001 and 79-2925b and repealing the
14 existing sections; also repealing K.S.A. 2016 Supp. 46-1133, 72-6482
15 and 75-2319, as amended by section 46 of Senate Substitute for
16 Substitute for House Bill No. 2052.

17

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

19

Section 1.

20

DEPARTMENT OF EDUCATION

21

(a) There is appropriated for the above agency from the state general
22 fund for the fiscal year ending June 30, 2018, the following:

23

Operating expenditures (including official

24

hospitality) (652-00-1000-0053).....\$12,586,611

25

Provided, That any unencumbered balance in the operating expenditures
26 (including official hospitality) account in excess of \$100 as of June 30,
27 2017, is hereby reappropriated for fiscal year 2018.

28

Special education services

29

aid (652-00-1000-0700).....\$435,980,455

30

Provided, That any unencumbered balance in the special education
31 services aid account in excess of \$100 as of June 30, 2017, is hereby
32 reappropriated for fiscal year 2018: *Provided further*, That,
33 notwithstanding the provisions of K.S.A. 72-978, and amendments thereto,
34 or any other statute, expenditures shall be made by the above agency from
35 the special education services aid account in fiscal year 2018, in an amount
36 of \$12,000,000 for distribution of special education services aid to school

1 districts based on the full-time equivalent enrollment of each school
 2 district: *And provided further*, That moneys received by school districts
 3 pursuant to the foregoing proviso shall be considered special education
 4 state aid and shall be expended by such school district for the provision of
 5 special education and related services by the school district: *And provided*
 6 *further*, That expenditures shall not be made from the special education
 7 services aid account for the provision of instruction for any homebound or
 8 hospitalized child unless the categorization of such child as exceptional is
 9 conjoined with the categorization of the child within one or more of the
 10 other categories of exceptionality: *And provided further*, That expenditures
 11 shall be made from this account for grants to school districts in amounts
 12 determined pursuant to and in accordance with the provisions of K.S.A.
 13 72-983, and amendments thereto: *And provided further*, That expenditures
 14 shall be made from the amount remaining in this account, after deduction
 15 of the expenditures specified in the foregoing provisos, for payments to
 16 school districts in amounts determined pursuant to and in accordance with
 17 the provisions of K.S.A. 72-978, and amendments thereto.

18 State foundation
 19 aid (652-00-1000-0820).....\$1,122,606,039
 20 *Provided*, That any unencumbered balance in the block grants to USDs
 21 account in excess of \$100 as of June 30, 2017, is hereby reappropriated for
 22 fiscal year 2018.
 23 Virtual funding.....\$30,039,779
 24 Low enrollment funding.....\$168,895,764
 25 High enrollment funding.....\$49,871,896
 26 Transportation funding.....\$104,919,941
 27 Bilingual funding.....\$41,443,669
 28 At-risk funding.....\$401,821,992
 29 Career technical education funding.....\$36,525,502
 30 New school facilities funding.....\$13,000,000
 31 Supplemental state
 32 aid (652-00-1000-0840).....\$480,920,922
 33 *Provided*, That any unencumbered balance in the supplemental general
 34 state aid account in excess of \$100 as of June 30, 2017, is hereby
 35 reappropriated for fiscal year 2018.
 36 Mentor teacher (652-00-1000-0440).....\$800,000
 37 Professional development.....\$1,700,000
 38 Information technology education
 39 opportunities (652-00-1000-0600).....\$500,000
 40 Kansas reading success (652-00-1000-0070).....\$2,100,000
 41 Discretionary grants (652-00-1000-0400).....\$322,457
 42 *Provided*, That the above agency shall make expenditures from the
 43 discretionary grants account during the fiscal year 2018, in the amount not

1 less than \$125,000 for after school programs for middle school students in
 2 the sixth, seventh and eighth grades: *Provided further*, That the after
 3 school programs may also include fifth and ninth grade students, if they
 4 attend a junior high: *And provided further*, That such discretionary grants
 5 shall be awarded to after school programs that operate for a minimum of
 6 two hours a day, every day that school is in session, and a minimum of six
 7 hours a day for a minimum of five weeks during the summer: *And*
 8 *provided further*, That the discretionary grants awarded to after school
 9 programs shall require a \$1 for \$1 local match: *And provided further*, That
 10 the aggregate amount of discretionary grants awarded to any one after
 11 school program shall not exceed \$25,000.

12	School food assistance (652-00-1000-0320).....	\$2,510,486
13	School safety hotline (652-00-1000-0230).....	\$10,000
14	KPERS – employer contributions –	
15	USDs.....	\$375,058,991
16	KPERS – employer	
17	contributions (652-00-1000-0100).....	\$19,707,072

18 *Provided*, That any unencumbered balance in the KPERS – employer
 19 contributions account in excess of \$100 as of June 30, 2017, is hereby
 20 reappropriated for fiscal year 2018: *Provided further*, That all expenditures
 21 from the KPERS – employer contributions account shall be for payment of
 22 participating employers' contributions to the Kansas public employees
 23 retirement system as provided in K.S.A. 74-4939, and amendments
 24 thereto: *And provided further*, That expenditures from this account for the
 25 payment of participating employers' contributions to the Kansas public
 26 employees retirement system may be made regardless of when the liability
 27 was incurred.

28	Educable deaf-blind and severely	
29	handicapped children's programs	
30	aid (652-00-1000-0630).....	\$110,000
31	School district juvenile detention facilities and Flint Hills job	
32	corps center grants (652-00-1000-0290).....	\$4,771,500

33 *Provided*, That any unencumbered balance in the school district juvenile
 34 detention facilities and Flint Hills job corps center grants account in excess
 35 of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018:
 36 *Provided further*, That expenditures shall be made from the school district
 37 juvenile detention facilities and Flint Hills job corps center grants account
 38 for grants to school districts in amounts determined pursuant to and in
 39 accordance with the provisions of K.S.A. 72-8187, and amendments
 40 thereto.

41	Governor's teaching excellence	
42	scholarships and	
43	awards (652-00-1000-0770).....	\$327,500

1 *Provided*, That any unencumbered balance in the governor's teaching
 2 excellence scholarships and awards account in excess of \$100 as of June
 3 30, 2017, is hereby reappropriated for fiscal year 2018: *Provided further*,
 4 That all expenditures from the governor's teaching excellence scholarships
 5 and awards account for teaching excellence scholarships shall be made in
 6 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
 7 *further*, That each such grant shall be required to be matched on a \$1 for \$1
 8 basis from nonstate sources: *And provided further*, That award of each such
 9 grant shall be conditioned upon the recipient entering into an agreement
 10 requiring the grant to be repaid if the recipient fails to complete the course
 11 of training under the national board for professional teaching standards
 12 certification program: *And provided further*, That all moneys received by
 13 the department of education for repayment of grants for governor's
 14 teaching excellence scholarships shall be deposited in the state treasury
 15 and credited to the governor's teaching excellence scholarships program
 16 repayment fund (652-00-7221-7200).

17 Incentive for technical education (652-00-1000-0110).....\$50,000

18 *Provided*, That, on July 1, 2017, notwithstanding the provisions of K.S.A.
 19 72-4489, and amendments thereto, or any other statute, the department of
 20 education shall grant an award in an amount equal to \$1,000 for each pupil
 21 graduating from a high school in a school district having obtained an
 22 industry-recognized credential either prior to graduation from high school
 23 or by December 31 immediately following graduation in an occupation
 24 that has been identified by the secretary of labor, in consultation with the
 25 state board of regents and the state board of education, as an occupation in
 26 highest need of additional skilled employees at the time the pupil entered
 27 the career technical education course or program in the school district:
 28 *Provided further*, That, if the amount of moneys appropriated for the above
 29 agency for fiscal year 2018 is less than the amount of moneys to be
 30 awarded to such school districts, the department of education shall prorate
 31 the available moneys to such school districts accordingly.

32 (b) There is appropriated for the above agency from the following
 33 special revenue fund or funds for the fiscal year ending June 30, 2018, all
 34 moneys now or hereafter lawfully credited to and available in such fund or
 35 funds, except that expenditures other than refunds authorized by law and
 36 transfers to other state agencies shall not exceed the following:

- 37 State school district finance
- 38 fund (652-00-7393-7000).....No limit
- 39 School district capital improvements
- 40 fund (652-00-2880-2880).....No limit

41 *Provided*, That expenditures from the school district capital improvements
 42 fund shall be made only for the payment of general obligation bonds
 43 approved by voters under the authority of K.S.A. 72-6761, and

1	amendments thereto.	
2	Mineral production education	
3	fund (652-00-7669-7669).....	No limit
4	School district capital outlay state aid	
5	fund.....	No limit
6	Conversion of materials and equipment	
7	fund (652-00-2420-2020).....	No limit
8	State safety fund (652-00-2538-2030).....	No limit
9	<i>Provided</i> , That notwithstanding the provisions of K.S.A. 8-272, and	
10	amendments thereto, or any other statute, funds shall be distributed during	
11	fiscal year 2018 as soon as moneys are available.	
12	School bus safety fund (652-00-2532-2300).....	No limit
13	Motorcycle safety fund (652-00-2633-2050).....	No limit
14	Federal indirect cost reimbursement	
15	fund (652-00-2312-2200).....	No limit
16	Teacher and administrator fee	
17	fund (652-00-2728-2700).....	No limit
18	Food assistance –	
19	federal fund (652-00-3230-3020).....	No limit
20	Food assistance – school breakfast program –	
21	federal fund (652-00-3529-3490).....	No limit
22	Food assistance – national school lunch program –	
23	federal fund (652-00-3530-3500).....	No limit
24	Food assistance – child and adult care food program – federal	
25	fund (652-00-3531-3510).....	No limit
26	Community-based child abuse prevention – federal	
27	fund (652-00-3319-7400).....	No limit
28	Family and children investment	
29	fund (652-00-7375).....	No limit
30	Elementary and secondary school aid – federal	
31	fund (652-00-3233-3040).....	No limit
32	Educationally deprived children – state operations –	
33	federal fund (652-00-3131-3130).....	No limit
34	Elementary and secondary school –	
35	educationally deprived children –	
36	LEA's fund (652-00-3532-3520).....	No limit
37	Education of handicapped children fund –	
38	federal (652-00-3234-3050).....	No limit
39	Education of handicapped children	
40	fund – state operations –	
41	federal fund (652-00-3534-3540).....	No limit
42	Education of handicapped children fund – preschool – federal	
43	fund (652-00-3535-3550).....	No limit

1	Education of handicapped children	
2	fund – preschool state operations –	
3	federal (652-00-3536-3560).....	No limit
4	Elementary and secondary school	
5	aid – federal fund – migrant	
6	education fund (652-00-3537-3570).....	No limit
7	Elementary and secondary school aid –	
8	federal fund – migrant education –	
9	state operations (652-00-3538-3580).....	No limit
10	Vocational education title II –	
11	federal fund (652-00-3539-3590).....	No limit
12	Vocational education title II –	
13	federal fund –	
14	state operations (652-00-3540-3600).....	No limit
15	Educational research grants and projects	
16	fund (652-00-3592-3070).....	No limit
17	Inservice education workshop	
18	fee fund (652-00-2230-2010).....	No limit
19	<i>Provided</i> , That expenditures may be made from the inservice education	
20	workshop fee fund for operating expenditures, including official	
21	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
22	<i>further</i> , That the state board of education is hereby authorized to fix,	
23	charge and collect fees for inservice workshops and conferences: <i>And</i>	
24	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
25	part of such operating expenditures incurred for inservice workshops and	
26	conferences: <i>And provided further</i> , That all fees received for inservice	
27	workshops and conferences shall be deposited in the state treasury in	
28	accordance with the provisions of K.S.A. 75-4215, and amendments	
29	thereto, and shall be credited to the inservice education workshop fee fund.	
30	Private donations, gifts, grants and bequests	
31	fund (652-00-7307-5000).....	No limit
32	Reimbursement for services	
33	fund (652-00-3056-3200).....	No limit
34	Communities in schools program	
35	fund (652-00-2221-2400).....	No limit
36	Governor's teaching excellence scholarships program repayment	
37	fund (652-00-7221-7200).....	No limit
38	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
39	scholarships program repayment fund shall be made in accordance with	
40	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
41	such grant shall be required to be matched on a \$1 for \$1 basis from	
42	nonstate sources: <i>And provided further</i> , That award of each such grant shall	
43	be conditioned upon the recipient entering into an agreement requiring the	

1 grant to be repaid if the recipient fails to complete the course of training
2 under the national board for professional teaching standards certification
3 program: *And provided further*, That all moneys received by the
4 department of education for repayment of grants made under the
5 governor's teaching excellence scholarships program shall be deposited in
6 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
7 amendments thereto, and shall be credited to the governor's teaching
8 excellence scholarships program repayment fund.

9 State grants for improving teacher quality –
10 federal fund (652-00-3526-3860).....No limit
11 State grants for improving teacher
12 quality – federal fund – state
13 operations (652-00-3527-3870).....No limit
14 21st century community learning centers –
15 federal fund (652-00-3519-3890).....No limit
16 State assessments –
17 federal fund (652-00-3520-3800).....No limit
18 Rural and low-income schools program –
19 federal fund (652-00-3521-3810).....No limit
20 TANF children's programs – federal
21 fund (652-00-3323-0530).....No limit
22 ESSA – student support
23 academic enrichment –
24 federal fund.....No limit
25 Language assistance state grants –
26 federal fund (652-00-3522-3820).....No limit
27 Service clearing fund (652-00-2869-2800).....No limit
28 Helping schools license plate program
29 fund (652-00-2606-2600).....No limit
30 General state aid transportation
31 weighting – state highway
32 fund (652-00-2222-2222).....No limit
33 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
34 April 1, 2018, the director of accounts and reports shall transfer
35 \$24,150,000 from the state highway fund of the department of
36 transportation to the general state aid transportation weighting – state
37 highway fund of the department of education.

38 Special education transportation
39 weighting – state highway
40 fund (652-00-2223-2223).....No limit
41 *Provided*, That on July 1, 2017, October 1, 2017, January 1, 2018, and
42 April 1, 2018, the director of accounts and reports shall transfer
43 \$2,500,000 from the state highway fund of the department of

1 transportation to the special education transportation weighting – state
2 highway fund of the department of education.

3 Career and technical education
4 transportation – state highway
5 fund (652-00-2139-2139).....No limit

6 *Provided*, That on July 1, 2017, the director of accounts and reports shall
7 transfer \$650,000 from the state highway fund of the department of
8 transportation to the career and technical education transportation – state
9 highway fund of the department of education.

10 Local school district contribution
11 program checkoff fund.....No limit

12 Educational technology coordinator
13 fund (652-00-2157-2157).....No limit

14 *Provided*, That expenditures shall be made by the above agency for the
15 fiscal year ending June 30, 2018, from the educational technology
16 coordinator fund of the department of education to provide data on the
17 number of school districts served and cost savings for those districts in
18 fiscal year 2018 in order to assess the cost effectiveness of the position of
19 educational technology coordinator.

20 (c) There is appropriated for the above agency from the children's
21 initiatives fund for the fiscal year ending June 30, 2018, the following:

22 Parent education
23 program (652-00-2000-2510).....\$7,237,635

24 *Provided*, That any unencumbered balance in the parent education
25 program account in excess of \$100 as of June 30, 2017, is hereby
26 reappropriated for fiscal year 2018: *Provided further*, That expenditures
27 from the parent education program account for each such grant shall be
28 matched by the school district in an amount that is equal to not less than
29 65% of the grant.

30 Children's cabinet accountability
31 fund (652-00-2000-2402).....\$375,000

32 *Provided*, That any unencumbered balance in the children's cabinet
33 accountability fund account in excess of \$100 as of June 30, 2017, is
34 hereby reappropriated for fiscal year 2018.

35 CIF grants (652-00-2000-2408).....\$15,782,638

36 *Provided*, That any unencumbered balance in the CIF grants account in
37 excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year
38 2018.

39 Quality initiative infants and
40 toddlers (652-00-2000-2420).....\$430,466

41 *Provided*, That any unencumbered balance in the quality initiative infants
42 and toddlers account in excess of \$100 as of June 30, 2017, is hereby
43 reappropriated for fiscal year 2018.

1 Early childhood block grant autism diagnosis.....\$43,047
 2 *Provided*, That any unencumbered balance in the early childhood block
 3 grant autism diagnosis account in excess of \$100 as of June 30, 2017, is
 4 hereby reappropriated for fiscal year 2018.

5 (d) On July 1, 2017, or as soon thereafter as moneys are available,
 6 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
 7 amendments thereto, or any other statute, the director of accounts and
 8 reports shall transfer \$50,000 from the family and children trust account of
 9 the family and children investment fund (652-00-7375-7900) of the
 10 Kansas department of education to the communities in schools program
 11 fund (652-00-2221-2400) of the department of education.

12 (e) On March 30, 2018, and June 30, 2018, or as soon thereafter as
 13 moneys are available, notwithstanding the provisions of K.S.A. 8-267 or
 14 8-272, and amendments thereto, or any other statute, the director of
 15 accounts and reports shall transfer \$550,000 from the state safety fund
 16 (652-00-2538-2030) to the state general fund: *Provided*, That the transfer
 17 of such amount shall be in addition to any other transfer from the state
 18 safety fund to the state general fund as prescribed by law: *Provided*
 19 *further*, That the amount transferred from the state safety fund to the state
 20 general fund pursuant to this subsection is to reimburse the state general
 21 fund for accounting, auditing, budgeting, legal, payroll, personnel and
 22 purchasing services and any other governmental services that are
 23 performed on behalf of the department of education by other state agencies
 24 that receive appropriations from the state general fund to provide such
 25 services.

26 (f) On July 1, 2017, and quarterly thereafter, the director of accounts
 27 and reports shall transfer \$56,250 from the state highway fund of the
 28 department of transportation to the school bus safety fund (652-00-2532-
 29 2300) of the department of education.

30 (g) On July 1, 2017, the director of accounts and reports shall transfer
 31 an amount certified by the commissioner of education from the motorcycle
 32 safety fund (652-00-2633-2050) of the department of education to the
 33 motorcycle safety fund (561-00-2366-2360) of the state board of regents:
 34 *Provided*, That the amount to be transferred shall be determined by the
 35 commissioner of education based on the amounts required to be paid
 36 pursuant to K.S.A. 8-272(b)(2), and amendments thereto.

37 (h) There is appropriated for the above agency from the expanded
 38 lottery act revenues fund for the fiscal year ending June 30, 2018, the
 39 following:

40 KPERs – school employer
 41 contribution (652-00-1700-1700).....\$39,883,000

42 (i) On July 1, 2017, or as soon thereafter as moneys are available, the
 43 director of accounts and reports shall transfer \$89,323 from the USAC E-

1 rate program federal fund (561-00-3920-3920) of the state board of regents
 2 to the education technology coordinator fund (652-00-2157-2157) of the
 3 department of education: *Provided*, That the department of education shall
 4 provide information and data regarding the number of school districts
 5 served and cost savings attained by such school districts in order to assess
 6 the cost effectiveness of having this education technology coordinator
 7 position: *Provided further*, That such information and data shall be
 8 available by the department of education by the end of the fiscal year
 9 2018.

10 (j) There is appropriated for the above agency from the Kansas
 11 endowment for youth fund for the fiscal year ending June 30, 2018, the
 12 following:

13 Children's cabinet administration.....\$248,206
 14 *Provided*, That any unencumbered balance in the children's cabinet
 15 administration account in excess of \$100 as of June 30, 2017, is hereby
 16 reappropriated for fiscal year 2018.

17 (k) During the fiscal year ending June 30, 2018, the commissioner of
 18 education may transfer any part of any item of appropriation in the state
 19 foundation aid account, virtual funding account, low enrollment funding
 20 account, high enrollment funding account, transportation funding account,
 21 bilingual funding account, at-risk funding account, career technical
 22 education funding account or new school facilities funding account of the
 23 state general fund appropriated for fiscal year 2018 to another item of
 24 appropriation in the state foundation aid account, virtual funding account,
 25 low enrollment funding account, high enrollment funding account,
 26 transportation funding account, bilingual funding account, at-risk funding
 27 account, career technical education funding account or new school
 28 facilities funding account of the state general fund appropriated for fiscal
 29 year 2018 if the commissioner of education determines that any such
 30 transfers are necessary to meet the expenditures of any such accounts
 31 during fiscal year 2018. The commissioner of education shall certify each
 32 such amount transferred to the director of accounts and reports, and shall
 33 transmit a copy of each such certification at the same time to the director
 34 of the budget and the director of legislative research.

35 Sec. 2.

36 DEPARTMENT OF EDUCATION

37 (a) There is appropriated for the above agency from the state general
 38 fund for the fiscal year ending June 30, 2019, the following:

39 Operating expenditures (including official
 40 hospitality) (652-00-1000-0053).....\$12,685,361
 41 *Provided*, That any unencumbered balance in the operating expenditures
 42 (including official hospitality) account in excess of \$100 as of June 30,
 43 2018, is hereby reappropriated for fiscal year 2019.

1 Special education services
2 aid (652-00-1000-0700).....\$447,980,455
3 *Provided*, That any unencumbered balance in the special education
4 services aid account in excess of \$100 as of June 30, 2018, is hereby
5 reappropriated for fiscal year 2019: *Provided further*, That,
6 notwithstanding the provisions of K.S.A. 72-978, and amendments thereto,
7 or any other statute, expenditures shall be made by the above agency from
8 the special education services aid account in fiscal year 2019, in an amount
9 of \$12,000,000 for distribution of special education services aid to school
10 districts based on the full-time equivalent enrollment of each school
11 district: *And provided further*, That moneys received by school districts
12 pursuant to the foregoing proviso shall be considered special education
13 state aid and shall be expended by such school district for the provision of
14 special education and related services by the school district: *And provided*
15 *further*, That expenditures shall not be made from the special education
16 services aid account for the provision of instruction for any homebound or
17 hospitalized child unless the categorization of such child as exceptional is
18 conjoined with the categorization of the child within one or more of the
19 other categories of exceptionality: *And provided further*, That expenditures
20 shall be made from this account for grants to school districts in amounts
21 determined pursuant to and in accordance with the provisions of K.S.A.
22 72-983, and amendments thereto: *And provided further*, That expenditures
23 shall be made from the amount remaining in this account, after deduction
24 of the expenditures specified in the foregoing provisos, for payments to
25 school districts in amounts determined pursuant to and in accordance with
26 the provisions of K.S.A. 72-978, and amendments thereto.
27 State foundation aid (652-00-1000-0820).....\$1,132,313,809
28 *Provided*, That any unencumbered balance in the state foundation aid
29 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
30 fiscal year 2019.
31 Virtual funding.....\$30,039,779
32 *Provided*, That any unencumbered balance in the virtual funding account
33 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal
34 year 2019.
35 Low enrollment funding.....\$172,015,626
36 *Provided*, That any unencumbered balance in the low enrollment funding
37 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
38 fiscal year 2019.
39 High enrollment funding.....\$50,793,144
40 *Provided*, That any unencumbered balance in the high enrollment funding
41 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
42 fiscal year 2019.
43 Transportation funding.....\$106,858,056

1 *Provided*, That any unencumbered balance in the transportation funding
2 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
3 fiscal year 2019.

4 Bilingual funding.....\$42,209,232

5 *Provided*, That any unencumbered balance in the bilingual funding
6 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
7 fiscal year 2019.

8 At-risk funding.....\$409,244,564

9 *Provided*, That any unencumbered balance in the at-risk funding account
10 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal
11 year 2019.

12 Career technical education funding.....\$37,200,216

13 *Provided*, That any unencumbered balance in the career technical
14 education funding account in excess of \$100 as of June 30, 2018, is hereby
15 reappropriated for fiscal year 2019.

16 New school facilities funding.....\$10,670,470

17 *Provided*, That any unencumbered balance in the new school facilities
18 funding account in excess of \$100 as of June 30, 2018, is hereby
19 reappropriated for fiscal year 2019.

20 Supplemental state aid (652-00-1000-0840).....\$486,109,284

21 *Provided*, That any unencumbered balance in the supplemental state aid
22 account in excess of \$100 as of June 30, 2018, is hereby reappropriated for
23 fiscal year 2019.

24 Mentor teacher (652-00-1000-0440).....\$800,000

25 Professional development.....\$1,700,000

26 Information technology education
27 opportunities (652-00-1000-0600).....\$500,000

28 Kansas reading success (652-00-1000-0070).....\$2,100,000

29 Discretionary grants (652-00-1000-0400).....\$322,457

30 *Provided*, That the above agency shall make expenditures from the
31 discretionary grants account during the fiscal year 2019, in the amount not
32 less than \$125,000 for after school programs for middle school students in
33 the sixth, seventh and eighth grades: *Provided further*, That the after school
34 programs may also include fifth and ninth grade students, if they attend a
35 junior high: *And provided further*, That such discretionary grants shall be
36 awarded to after school programs that operate for a minimum of two hours
37 a day, every day that school is in session, and a minimum of six hours a
38 day for a minimum of five weeks during the summer: *And provided*
39 *further*, That the discretionary grants awarded to after school programs
40 shall require a \$1 for \$1 local match: *And provided further*, That the
41 aggregate amount of discretionary grants awarded to any one after school
42 program shall not exceed \$25,000.

43 School food assistance (652-00-1000-0320).....\$2,510,486

1	School safety hotline (652-00-1000-0230).....	\$10,000
2	KPERS – employer contributions –	
3	USDs.....	\$421,856,124
4	KPERS – employer	
5	contributions (652-00-1000-0100).....	\$26,885,049
6	<i>Provided</i> , That any unencumbered balance in the KPERS – employer	
7	contributions account in excess of \$100 as of June 30, 2018, is hereby	
8	reappropriated for fiscal year 2019: <i>Provided further</i> , That all expenditures	
9	from the KPERS – employer contributions account shall be for payment of	
10	participating employers' contributions to the Kansas public employees	
11	retirement system as provided in K.S.A. 74-4939, and amendments	
12	thereto: <i>And provided further</i> , That expenditures from this account for the	
13	payment of participating employers' contributions to the Kansas public	
14	employees retirement system may be made regardless of when the liability	
15	was incurred.	
16	Educable deaf-blind and severely	
17	handicapped children's programs	
18	aid (652-00-1000-0630).....	\$110,000
19	School district juvenile detention	
20	facilities and Flint Hills	
21	job corps center	
22	grants (652-00-1000-0290).....	\$4,771,500
23	<i>Provided</i> , That any unencumbered balance in the school district juvenile	
24	detention facilities and Flint Hills job corps center grants account in excess	
25	of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019:	
26	<i>Provided further</i> , That expenditures shall be made from the school district	
27	juvenile detention facilities and Flint Hills job corps center grants account	
28	for grants to school districts in amounts determined pursuant to and in	
29	accordance with the provisions of K.S.A. 72-8187, and amendments	
30	thereto.	
31	Governor's teaching excellence	
32	scholarships and	
33	awards (652-00-1000-0770).....	\$327,500
34	<i>Provided</i> , That any unencumbered balance in the governor's teaching	
35	excellence scholarships and awards account in excess of \$100 as of June	
36	30, 2018, is hereby reappropriated for fiscal year 2019: <i>Provided further</i> ,	
37	That all expenditures from the governor's teaching excellence scholarships	
38	and awards account for teaching excellence scholarships shall be made in	
39	accordance with K.S.A. 72-1398, and amendments thereto: <i>And provided</i>	
40	<i>further</i> , That each such grant shall be required to be matched on a \$1 for \$1	
41	basis from nonstate sources: <i>And provided further</i> , That award of each such	
42	grant shall be conditioned upon the recipient entering into an agreement	
43	requiring the grant to be repaid if the recipient fails to complete the course	

1 of training under the national board for professional teaching standards
 2 certification program: *And provided further*; That all moneys received by
 3 the department of education for repayment of grants for governor's
 4 teaching excellence scholarships shall be deposited in the state treasury
 5 and credited to the governor's teaching excellence scholarships program
 6 repayment fund (652-00-7221-7200).

7 Incentive for technical education (652 - 00 - 1000 - 0110).....\$50,000
 8 *Provided*, That, on July 1, 2018, notwithstanding the provisions of K.S.A.
 9 72-4489, and amendments thereto, or any other statute, the department of
 10 education shall grant an award in an amount equal to \$1,000 for each pupil
 11 graduating from a high school in a school district having obtained an
 12 industry-recognized credential either prior to graduation from high school
 13 or by December 31 immediately following graduation in an occupation
 14 that has been identified by the secretary of labor, in consultation with the
 15 state board of regents and the state board of education, as an occupation in
 16 highest need of additional skilled employees at the time the pupil entered
 17 the career technical education course or program in the school district:
 18 *Provided further*; That, if the amount of moneys appropriated for the above
 19 agency for fiscal year 2019 is less than the amount of moneys to be
 20 awarded to such school districts, the department of education shall prorate
 21 the available moneys to such school districts accordingly.

22 (b) There is appropriated for the above agency from the following
 23 special revenue fund or funds for the fiscal year ending June 30, 2019, all
 24 moneys now or hereafter lawfully credited to and available in such fund or
 25 funds, except that expenditures other than refunds authorized by law and
 26 transfers to other state agencies shall not exceed the following:

27 State school district finance
 28 fund (652-00-7393-7000).....No limit

29 School district capital improvements
 30 fund (652-00-2880-2880).....No limit

31 *Provided*, That expenditures from the school district capital improvements
 32 fund shall be made only for the payment of general obligation bonds
 33 approved by voters under the authority of K.S.A. 72-6761, and
 34 amendments thereto.

35 Mineral production education
 36 fund (652-00-7669-7669).....No limit

37 School district capital outlay state aid
 38 fund.....No limit

39 Conversion of materials and equipment
 40 fund (652-00-2420-2020).....No limit

41 State safety fund (652-00-2538-2030).....No limit

42 School bus safety fund (652-00-2532-2300).....No limit

43 Motorcycle safety fund (652-00-2633-2050).....No limit

1	Federal indirect cost reimbursement	
2	fund (652-00-2312-2200).....	No limit
3	Teacher and administrator fee	
4	fund (652-00-2728-2700).....	No limit
5	Food assistance –	
6	federal fund (652-00-3230-3020).....	No limit
7	Food assistance – school breakfast program –	
8	federal fund (652-00-3529-3490).....	No limit
9	Food assistance – national school lunch program –	
10	federal fund (652-00-3530-3500).....	No limit
11	Food assistance – child and	
12	adult care food program –	
13	federal fund (652-00-3531-3510).....	No limit
14	Community-based child	
15	abuse prevention –	
16	federal fund (652-00-3319-7400).....	No limit
17	Family and children investment	
18	fund (652-00-7375).....	No limit
19	Elementary and secondary school aid –	
20	federal fund (652-00-3233-3040).....	No limit
21	Educationally deprived children – state operations –	
22	federal fund (652-00-3131-3130).....	No limit
23	Elementary and secondary school –	
24	educationally deprived children –	
25	LEA's fund (652-00-3532-3520).....	No limit
26	Education of handicapped children fund –	
27	federal (652-00-3234-3050).....	No limit
28	Education of handicapped children	
29	fund – state operations –	
30	federal fund (652-00-3534-3540).....	No limit
31	Education of handicapped children	
32	fund – preschool – federal	
33	fund (652-00-3535-3550).....	No limit
34	Education of handicapped children	
35	fund – preschool state operations –	
36	federal (652-00-3536-3560).....	No limit
37	Elementary and secondary school	
38	aid – federal fund – migrant	
39	education fund (652-00-3537-3570).....	No limit
40	Elementary and secondary school aid –	
41	federal fund – migrant education –	
42	state operations (652-00-3538-3580).....	No limit
43	Vocational education title II –	

1	federal fund (652-00-3539-3590).....	No limit
2	Vocational education title II –	
3	federal fund – state	
4	operations (652-00-3540-3600)	No limit
5	Educational research grants and projects	
6	fund (652-00-3592-3070).....	No limit
7	Inservice education workshop	
8	fee fund (652-00-2230-2010).....	No limit
9	<i>Provided</i> , That expenditures may be made from the inservice education	
10	workshop fee fund for operating expenditures, including official	
11	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
12	<i>further</i> , That the state board of education is hereby authorized to fix,	
13	charge and collect fees for inservice workshops and conferences: <i>And</i>	
14	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
15	part of such operating expenditures incurred for inservice workshops and	
16	conferences: <i>And provided further</i> , That all fees received for inservice	
17	workshops and conferences shall be deposited in the state treasury in	
18	accordance with the provisions of K.S.A. 75-4215, and amendments	
19	thereto, and shall be credited to the inservice education workshop fee fund.	
20	Private donations, gifts, grants and bequests	
21	fund (652-00-7307-5000).....	No limit
22	Reimbursement for services	
23	fund (652-00-3056-3200).....	No limit
24	Communities in schools program	
25	fund (652-00-2221-2400).....	No limit
26	Governor's teaching excellence scholarships program repayment	
27	fund (652-00-7221-7200).....	No limit
28	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
29	scholarships program repayment fund shall be made in accordance with	
30	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
31	such grant shall be required to be matched on a \$1 for \$1 basis from	
32	nonstate sources: <i>And provided further</i> , That award of each such grant shall	
33	be conditioned upon the recipient entering into an agreement requiring the	
34	grant to be repaid if the recipient fails to complete the course of training	
35	under the national board for professional teaching standards certification	
36	program: <i>And provided further</i> , That all moneys received by the	
37	department of education for repayment of grants made under the	
38	governor's teaching excellence scholarships program shall be deposited in	
39	the state treasury in accordance with the provisions of K.S.A. 75-4215, and	
40	amendments thereto, and shall be credited to the governor's teaching	
41	excellence scholarships program repayment fund.	
42	State grants for improving teacher quality –	
43	federal fund (652-00-3526-3860).....	No limit

1	State grants for improving	
2	teacher quality – federal fund –	
3	state operations (652-00-3527-3870).....	No limit
4	21st century community	
5	learning centers – federal	
6	fund (652-00-3519-3890).....	No limit
7	State assessments –	
8	federal fund (652-00-3520-3800).....	No limit
9	Rural and low-income schools program –	
10	federal fund (652-00-3521-3810).....	No limit
11	TANF children's programs – federal	
12	fund (652-00-3323-0530).....	No limit
13	ESSA – student support	
14	academic enrichment –	
15	federal fund.....	No limit
16	Language assistance state grants –	
17	federal fund (652-00-3522-3820).....	No limit
18	Service clearing fund (652-00-2869-2800).....	No limit
19	Helping schools	
20	license plate program	
21	fund (652-00-2606-2600).....	No limit
22	General state aid transportation	
23	weighting – state highway	
24	fund (652-00-2222-2222).....	No limit
25	<i>Provided, That on July 1, 2018, October 1, 2018, January 1, 2019, and</i>	
26	<i>April 1, 2019, the director of accounts and reports shall transfer</i>	
27	<i>\$24,150,000 from the state highway fund of the department of</i>	
28	<i>transportation to the general state aid transportation weighting – state</i>	
29	<i>highway fund of the department of education.</i>	
30	Special education transportation	
31	weighting – state highway	
32	fund (652-00-2223-2223).....	No limit
33	<i>Provided, That on July 1, 2018, October 1, 2018, January 1, 2019, and</i>	
34	<i>April 1, 2019, the director of accounts and reports shall transfer</i>	
35	<i>\$2,500,000 from the state highway fund of the department of</i>	
36	<i>transportation to the special education transportation weighting – state</i>	
37	<i>highway fund of the department of education.</i>	
38	Career and technical education	
39	transportation – state highway	
40	fund (652-00-2139-2139).....	No limit
41	<i>Provided, That on July 1, 2018, the director of accounts and reports shall</i>	
42	<i>transfer \$650,000 from the state highway fund of the department of</i>	
43	<i>transportation to the career and technical education transportation – state</i>	

- 1 highway fund of the department of education.
 2 Local school district contribution
 3 program checkoff fund.....No limit
 4 Educational technology coordinator
 5 fund (652-00-2157-2157).....No limit
 6 *Provided*, That expenditures shall be made by the above agency for the
 7 fiscal year ending June 30, 2019, from the educational technology
 8 coordinator fund of the department of education to provide data on the
 9 number of school districts served and cost savings for those districts in
 10 fiscal year 2019 in order to assess the cost effectiveness of the position of
 11 educational technology coordinator.
- 12 (c) There is appropriated for the above agency from the children's
 13 initiatives fund for the fiscal year ending June 30, 2019, the following:
 14 Parent education program (652-00-2000-2510).....\$7,237,635
 15 *Provided*, That any unencumbered balance in the parent education
 16 program account in excess of \$100 as of June 30, 2018, is hereby
 17 reappropriated for fiscal year 2019: *Provided further*; That expenditures
 18 from the parent education program account for each such grant shall be
 19 matched by the school district in an amount that is equal to not less than
 20 65% of the grant.
- 21 Children's cabinet accountability
 22 fund (652-00-2000-2402).....\$375,000
 23 *Provided*, That any unencumbered balance in the children's cabinet
 24 accountability fund account in excess of \$100 as of June 30, 2018, is
 25 hereby reappropriated for fiscal year 2019.
- 26 CIF grants (652-00-2000-2408).....\$15,782,786
 27 *Provided*, That any unencumbered balance in the CIF grants account in
 28 excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year
 29 2019.
- 30 Quality initiative infants and
 31 toddlers (652-00-2000-2420).....\$430,466
 32 *Provided*, That any unencumbered balance in the quality initiative infants
 33 and toddlers account in excess of \$100 as of June 30, 2018, is hereby
 34 reappropriated for fiscal year 2019.
- 35 Early childhood block grant autism diagnosis.....\$43,047
 36 *Provided*, That any unencumbered balance in the early childhood block
 37 grant autism diagnosis account in excess of \$100 as of June 30, 2018, is
 38 hereby reappropriated for fiscal year 2019.
- 39 (d) On July 1, 2018, or as soon thereafter as moneys are available,
 40 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
 41 amendments thereto, or any other statute, the director of accounts and
 42 reports shall transfer \$50,000 from the family and children trust account of
 43 the family and children investment fund (652-00-7375-7900) of the

1 Kansas department for children and families to the communities in schools
2 program fund (652-00-2221-2400) of the department of education.

3 (e) On March 30, 2019, and June 30, 2019, or as soon thereafter as
4 moneys are available, notwithstanding the provisions of K.S.A. 8-267 or
5 8-272, and amendments thereto, or any other statute, the director of
6 accounts and reports shall transfer \$550,000 from the state safety fund
7 (652-00-2538-2030) to the state general fund: *Provided*, That the transfer
8 of such amount shall be in addition to any other transfer from the state
9 safety fund to the state general fund as prescribed by law: *Provided*
10 *further*, That the amount transferred from the state safety fund to the state
11 general fund pursuant to this subsection is to reimburse the state general
12 fund for accounting, auditing, budgeting, legal, payroll, personnel and
13 purchasing services and any other governmental services that are
14 performed on behalf of the department of education by other state agencies
15 that receive appropriations from the state general fund to provide such
16 services.

17 (f) On July 1, 2018, and quarterly thereafter, the director of accounts
18 and reports shall transfer \$56,250 from the state highway fund of the
19 department of transportation to the school bus safety fund (652-00-2532-
20 2300) of the department of education.

21 (g) On July 1, 2018, the director of accounts and reports shall transfer
22 an amount certified by the commissioner of education from the motorcycle
23 safety fund (652-00-2633-2050) of the department of education to the
24 motorcycle safety fund (561-00-2366-2360) of the state board of regents:
25 *Provided*, That the amount to be transferred shall be determined by the
26 commissioner of education based on the amounts required to be paid
27 pursuant to K.S.A. 8-272(b)(2), and amendments thereto.

28 (h) There is appropriated for the above agency from the expanded
29 lottery act revenues fund for the fiscal year ending June 30, 2019, the
30 following:

31 KPERS – school employer
32 contribution (652-00-1700-1700).....\$40,084,000

33 (i) On July 1, 2018, or as soon thereafter as moneys are available, the
34 director of accounts and reports shall transfer \$89,323 from the USAC E-
35 rate program federal fund (561-00-3920-3920) of the state board of regents
36 to the education technology coordinator fund (652-00-2157-2157) of the
37 department of education: *Provided*, That the department of education shall
38 provide information and data regarding the number of school districts
39 served and cost savings attained by such school districts in order to assess
40 the cost effectiveness of having this education technology coordinator
41 position: *Provided further*, That such information and data shall be
42 available by the department of education by the end of the fiscal year
43 2019.

1 (j) There is appropriated for the above agency from the Kansas
 2 endowment for youth fund for the fiscal year ending June 30, 2019, the
 3 following:

4 Children's cabinet
 5 administration.....\$248,571

6 *Provided*, That any unencumbered balance in the children's cabinet
 7 administration account in excess of \$100 as of June 30, 2017, is hereby
 8 reapportioned for fiscal year 2018.

9 (k) During the fiscal year ending June 30, 2019, the commissioner of
 10 education may transfer any part of any item of appropriation in the state
 11 foundation aid account, virtual funding account, low enrollment funding
 12 account, high enrollment funding account, transportation funding account,
 13 bilingual funding account, at-risk funding account, career technical
 14 education funding account or new school facilities funding account of the
 15 state general fund appropriated for fiscal year 2019 to another item of
 16 appropriation in the state foundation aid account, virtual funding account,
 17 low enrollment funding account, high enrollment funding account,
 18 transportation funding account, bilingual funding account, at-risk funding
 19 account, career technical education funding account or new school
 20 facilities funding account of the state general fund appropriated for fiscal
 21 year 2019 if the commissioner of education determines that any such
 22 transfers are necessary to meet the expenditures of any such accounts
 23 during fiscal year 2019. The commissioner of education shall certify each
 24 such amount transferred to the director of accounts and reports, and shall
 25 transmit a copy of each such certification at the same time to the director
 26 of the budget and the director of legislative research.

27 New Sec. 3. Sections 3 through 47, and amendments thereto, shall be
 28 known and may be cited as the Kansas school equity and enhancement act.

29 New Sec. 4. As used in the Kansas school equity and enhancement
 30 act, section 3 et seq., and amendments thereto:

31 (a) "Adjusted enrollment" means the enrollment of a school district
 32 adjusted by adding the following weightings, if any, to the enrollment of a
 33 school district: At-risk student weighting; bilingual weighting; career
 34 technical education weighting; declining enrollment weighting; high-
 35 density at-risk student weighting; high enrollment weighting; low
 36 enrollment weighting; school facilities weighting; ancillary school
 37 facilities weighting; cost-of-living weighting; special education and related
 38 services weighting; and transportation weighting.

39 (b) "Ancillary school facilities weighting" means an addend
 40 component assigned to the enrollment of school districts pursuant to
 41 section 30, and amendments thereto, on the basis of costs attributable to
 42 commencing operation of one or more new school facilities by such school
 43 districts.

1 (c) (1) "At-risk student" means a student who is eligible for free
2 meals under the national school lunch act, and who is enrolled in a school
3 district that maintains an approved at-risk student assistance program.

4 (2) The term "at-risk student" shall not include any student enrolled
5 in any of the grades one through 12 who is in attendance less than full
6 time, or any student who is over 19 years of age. The provisions of this
7 paragraph shall not apply to any student who has an individualized
8 education program.

9 (d) "At-risk student weighting" means an addend component assigned
10 to the enrollment of school districts pursuant to section 23(a), and
11 amendments thereto, on the basis of costs attributable to the maintenance
12 of at-risk educational programs by such school districts.

13 (e) "Base aid for student excellence" or "BASE aid" means an amount
14 appropriated by the legislature in a fiscal year for the designated year. The
15 amount of BASE aid shall be as follows:

16 (1) For school year 2017-2018, \$4,006;

17 (2) for school year 2018-2019, \$4,080; and

18 (3) for school year 2019-2020, and each school year thereafter, the
19 BASE aid shall be the BASE aid amount for the immediately preceding
20 school year plus an amount equal to the average percentage increase in the
21 consumer price index for all urban consumers in the midwest region as
22 published by the bureau of labor statistics of the United States department
23 of labor during the three immediately preceding school years.

24 (f) "Bilingual weighting" means an addend component assigned to
25 the enrollment of school districts pursuant to section 22, and amendments
26 thereto, on the basis of costs attributable to the maintenance of bilingual
27 educational programs by such school districts.

28 (g) "Board" means the board of education of a school district.

29 (h) "Budget per student" means the general fund budget of a school
30 district divided by the enrollment of the school district.

31 (i) "Categorical fund" means and includes the following funds of a
32 school district: Adult education fund; adult supplementary education fund;
33 at-risk education fund; bilingual education fund; career and postsecondary
34 education fund; driver training fund; educational excellence grant program
35 fund; extraordinary school program fund; food service fund; parent
36 education program fund; preschool-aged at-risk education fund;
37 professional development fund; special education fund; and summer
38 program fund.

39 (j) "Cost-of-living weighting" means an addend component assigned
40 to the enrollment of school districts pursuant to section 31, and
41 amendments thereto, on the basis of costs attributable to the cost of living
42 in such school districts.

43 (k) "Current school year" means the school year during which state

1 foundation aid is determined by the state board under section 6, and
2 amendments thereto.

3 (l) "Declining enrollment weighting" means an addend component
4 assigned to the enrollment of school districts pursuant to section 32, and
5 amendments thereto, on the basis of costs attributable to the declining
6 enrollment of such school districts.

7 (m) "Enrollment" means:

8 (1) The number of students regularly enrolled in kindergarten and
9 grades one through 12 in the school district on September 20 of the
10 preceding school year plus the number of preschool-aged at-risk students
11 regularly enrolled in the school district on September 20 of the current
12 school year, except a student who is a foreign exchange student shall not
13 be counted unless such student is regularly enrolled in the school district
14 on September 20 and attending kindergarten or any of the grades one
15 through 12 maintained by the school district for at least one semester or
16 two quarters, or the equivalent thereof.

17 (2) If the enrollment in a school district in the preceding school year
18 has decreased from enrollment in the second preceding school year, the
19 enrollment of the school district in the current school year means the sum
20 of:

21 (A) The enrollment in the second preceding school year, excluding
22 students under paragraph (2)(B), minus enrollment in the preceding school
23 year of preschool-aged at-risk students, if any, plus enrollment in the
24 current school year of preschool-aged at-risk students, if any; and

25 (B) the adjusted enrollment in the second preceding school year of
26 any students participating in the tax credit for low income students
27 scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and
28 amendments thereto, in the preceding school year, if any, plus the adjusted
29 enrollment in the preceding school year of preschool-aged at-risk students
30 who are participating in the tax credit for low income students scholarship
31 program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and amendments
32 thereto, in the current school year, if any.

33 (3) For any school district that received federal impact aid for the
34 preceding school year, if the enrollment in such school district in the
35 preceding school year has decreased from enrollment in the second
36 preceding school year, the enrollment of the school district in the current
37 school year means whichever is the greater of:

38 (A) The enrollment determined under subsection (m)(2); or

39 (B) the sum of the enrollment in the preceding school year of
40 preschool-aged at-risk students, if any, and the arithmetic mean of the sum
41 of:

42 (i) The enrollment of the school district in the preceding school year
43 minus the enrollment in such school year of preschool-aged at-risk

1 students, if any;

2 (ii) the enrollment in the second preceding school year minus the
3 enrollment in such school year of preschool-aged at-risk students, if any;
4 and

5 (iii) the enrollment in the third preceding school year minus the
6 enrollment in such school year of preschool-aged at-risk students, if any.

7 (4) (A) For school year 2017-2018, the enrollment determined under
8 paragraph (1), (2) or (3), except if the school district offers kindergarten on
9 a full-time basis in such school year, students regularly enrolled in
10 kindergarten in the school district in the preceding school year shall be
11 counted as one student regardless of actual attendance during such
12 preceding school year.

13 (B) For school year 2018-2019 and each school year thereafter, the
14 enrollment determined under paragraph (1), (2) or (3), except if the school
15 district begins to offer kindergarten on a full-time basis in such school
16 year, students regularly enrolled in kindergarten in the school district in the
17 preceding school year shall be counted as one student regardless of actual
18 attendance during such preceding school year.

19 (n) "February 20" has its usual meaning, except that in any year in
20 which February 20 is not a day on which school is maintained, it means
21 the first day after February 20 on which school is maintained.

22 (o) "Federal impact aid" means an amount equal to the federally
23 qualified percentage of the amount of moneys a school district receives in
24 the current school year under the provisions of title I of public law 874 and
25 congressional appropriations therefor, excluding amounts received for
26 assistance in cases of major disaster and amounts received under the low-
27 rent housing program. The amount of federal impact aid shall be
28 determined by the state board in accordance with terms and conditions
29 imposed under the provisions of the public law and rules and regulations
30 thereunder.

31 (p) "General fund" means the fund of a school district from which
32 operating expenses are paid and in which is deposited all amounts of state
33 foundation aid provided under this act, payments under K.S.A. 72-7105a,
34 and amendments thereto, payments of federal funds made available under
35 the provisions of title I of public law 874, except amounts received for
36 assistance in cases of major disaster and amounts received under the low-
37 rent housing program and such other moneys as are provided by law.

38 (q) "General fund budget" means the amount budgeted for operating
39 expenses in the general fund of a school district.

40 (r) "High-density at-risk student weighting" means an addend
41 component assigned to the enrollment of school districts pursuant to
42 section 23(b), and amendments thereto, on the basis of costs attributable to
43 the maintenance of at-risk educational programs by such school districts.

1 (s) "High enrollment weighting" means an addend component
2 assigned to the enrollment of school districts pursuant to section 21(b), and
3 amendments thereto, on the basis of costs attributable to maintenance of
4 educational programs by such school districts.

5 (t) "Juvenile detention facility" means the same as such term is
6 defined in K.S.A. 72-8187, and amendments thereto.

7 (u) "Local foundation aid" means the sum of the following amounts:

8 (1) An amount equal to any unexpended and unencumbered balance
9 remaining in the general fund of the school district, except moneys
10 received by the school district and authorized to be expended for the
11 purposes specified in section 40, and amendments thereto;

12 (2) an amount equal to any remaining proceeds from taxes levied
13 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
14 prior to their repeal;

15 (3) an amount equal to the amount deposited in the general fund in
16 the current school year from moneys received in such school year by the
17 school district under the provisions of K.S.A. 72-1046a(a), and
18 amendments thereto;

19 (4) an amount equal to the amount deposited in the general fund in
20 the current school year from moneys received in such school year by the
21 school district pursuant to contracts made and entered into under authority
22 of K.S.A. 72-6757, and amendments thereto;

23 (5) an amount equal to the amount credited to the general fund in the
24 current school year from moneys distributed in such school year to the
25 school district under the provisions of articles 17 and 34 of chapter 12 of
26 the Kansas Statutes Annotated, and amendments thereto, and under the
27 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
28 Annotated, and amendments thereto;

29 (6) an amount equal to the amount of payments received by the
30 school district under the provisions of K.S.A. 72-979, and amendments
31 thereto;

32 (7) an amount equal to the amount of any grant received by the
33 school district under the provisions of K.S.A. 72-983, and amendments
34 thereto; and

35 (8) an amount equal to 70% of the federal impact aid of the school
36 district.

37 (v) "Low enrollment weighting" means an addend component
38 assigned to the enrollment of school districts pursuant to section 21(a), and
39 amendments thereto, on the basis of costs attributable to maintenance of
40 educational programs by such school districts.

41 (w) "Operating expenses" means the total expenditures and lawful
42 transfers from the general fund of a school district during a school year for
43 all purposes, except expenditures for the purposes specified in section 40,

1 and amendments thereto.

2 (x) "Preceding school year" means the school year immediately
3 before the current school year.

4 (y) "Preschool-aged at-risk student" means an at-risk student who has
5 attained the age of four years, is under the age of eligibility for attendance
6 at kindergarten, and has been selected by the state board in accordance
7 with guidelines governing the selection of students for participation in
8 head start programs.

9 (z) "Preschool-aged exceptional children" means exceptional
10 children, except gifted children, who have attained the age of three years
11 but are under the age of eligibility for attendance at kindergarten. The
12 terms "exceptional children" and "gifted children" have the same meaning
13 as those terms are defined in K.S.A. 72-962, and amendments thereto.

14 (aa) "Psychiatric residential treatment facility" means the same as
15 such term is defined in K.S.A. 72-8187, and amendments thereto.

16 (bb) "School district" means a school district organized under the
17 laws of this state that is maintaining public school for a school term in
18 accordance with the provisions of K.S.A. 72-1106, and amendments
19 thereto.

20 (cc) "School facilities weighting" means an added component
21 assigned to the enrollment of school districts pursuant to section 28, and
22 amendments thereto, on the basis of costs attributable to commencing
23 operation of one or more new school facilities by such school districts.

24 (dd) "School year" means the 12-month period ending June 30.

25 (ee) "September 20" has its usual meaning, except that in any year in
26 which September 20 is not a day on which school is maintained, it means
27 the first day after September 20 on which school is maintained.

28 (ff) "Special education and related services weighting" means an
29 addend component assigned to the enrollment of school districts pursuant
30 to section 29, and amendments thereto, on the basis of costs attributable to
31 the maintenance of special education and related services by such school
32 districts.

33 (gg) "State board" means the state board of education.

34 (hh) "State foundation aid" means the amount of aid distributed to
35 school district as determined by the state board pursuant to section 6, and
36 amendments thereto.

37 (ii) (1) "Student" means any person who is regularly enrolled in a
38 school district and attending kindergarten or any of the grades one through
39 12 maintained by the school district or who is regularly enrolled in a
40 school district and attending kindergarten or any of the grades one through
41 12 in another school district in accordance with an agreement entered into
42 under authority of K.S.A. 72-8233, and amendments thereto, or who is
43 regularly enrolled in a school district and attending special education

1 services provided for preschool-aged exceptional children by the school
2 district.

3 (2) (A) Except as otherwise provided in this subsection, the following
4 shall be counted as one student:

5 (i) A student in attendance full-time; and

6 (ii) a student enrolled in a school district and attending special
7 education and related services, provided for by the school district.

8 (B) The following shall be counted as $\frac{1}{2}$ student:

9 (i) A student enrolled in a school district and attending special
10 education and related services for preschool-aged exceptional children
11 provided for by the school district; and

12 (ii) a preschool-aged at-risk student enrolled in a school district and
13 receiving services under an approved at-risk student assistance plan
14 maintained by the school district.

15 (D) A student in attendance part-time shall be counted as that
16 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
17 bears to full-time attendance.

18 (E) A student enrolled in and attending an institution of
19 postsecondary education that is authorized under the laws of this state to
20 award academic degrees shall be counted as one student if the student's
21 postsecondary education enrollment and attendance together with the
22 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time,
23 otherwise the student shall be counted as that proportion of one student (to
24 the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education
25 attendance and attendance in grades 11 or 12, as applicable, bears to full-
26 time attendance.

27 (F) A student enrolled in and attending a technical college, a career
28 technical education program of a community college or other approved
29 career technical education program shall be counted as one student, if the
30 student's career technical education attendance together with the student's
31 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
32 the student shall be counted as that proportion of one student (to the
33 nearest $\frac{1}{10}$) that the total time of the student's career technical education
34 attendance and attendance in any of grades nine through 12 bears to full-
35 time attendance.

36 (G) A student enrolled in a school district and attending a non-virtual
37 school and also attending a virtual school shall be counted as that
38 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
39 at the non-virtual school bears to full-time attendance.

40 (H) A student enrolled in a school district and attending special
41 education and related services provided for by the school district and also
42 attending a virtual school shall be counted as that proportion of one
43 student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual

1 school bears to full-time attendance.

2 (3) The following shall not be counted as a student:

3 (A) An individual residing at the Flint Hills job corps center;

4 (B) except as provided in subsection (ii)(2), an individual confined in
5 and receiving educational services provided for by a school district at a
6 juvenile detention facility; and

7 (C) an individual enrolled in a school district but housed, maintained
8 and receiving educational services at a state institution or a psychiatric
9 residential treatment facility.

10 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et
11 seq., and amendments thereto, shall be counted in accordance with the
12 provisions of K.S.A. 2016 Supp. 72-3715, and amendments thereto.

13 (jj) "Total foundation aid" means an amount equal to the product
14 obtained by multiplying the BASE aid by the adjusted enrollment of a
15 school district.

16 (kk) "Transportation weighting" means an addend component
17 assigned to the enrollment of school districts pursuant to section 20, and
18 amendments thereto, on the basis of costs attributable to the provision or
19 furnishing of transportation.

20 (ll) "Virtual school" means the same as such term is defined in K.S.A.
21 2016 Supp. 72-3712, and amendments thereto.

22 New Sec. 5. (a) The state school district finance fund, established by
23 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in
24 existence and shall consist of: (1) All moneys credited to such fund under
25 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and
26 (2) all amounts transferred to such fund under sections 8, 14, 15, 30, 31
27 and 32, and amendments thereto.

28 (b) The state school district finance fund shall be used for the purpose
29 of school district finance and for no other governmental purpose. It is the
30 intent of the legislature that the fund shall remain intact and inviolate for
31 such purpose, and moneys in the fund shall not be subject to the provisions
32 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

33 (c) Amounts in the state school district finance fund shall be allocated
34 and distributed to school districts as a portion of state foundation aid
35 provided for under this act.

36 New Sec. 6. In each school year, the state board shall determine the
37 amount of state foundation aid for each school district for such school
38 year. The state board shall determine the amount of the school district's
39 local foundation aid for the school year. If the amount of the school
40 district's local foundation aid is greater than the amount of total foundation
41 aid determined for the school district for the school year, the school district
42 shall not receive state foundation aid in any amount. If the amount of the
43 school district's local foundation aid is less than the amount of total

1 foundation aid determined for the school district for the school year, the
2 state board shall subtract the amount of the school district's local
3 foundation aid from the amount of total foundation aid. The remainder is
4 the amount of state foundation aid the school district shall receive for the
5 school year.

6 New Sec. 7. (a) The distribution of state foundation aid under this act
7 shall be made in accordance with appropriation acts each year as provided
8 in this section.

9 (b) (1) In the months of July through May of each school year, the
10 state board shall determine the amount of state foundation aid that will be
11 required by each school district to maintain operations in each such month.
12 In making such determination, the state board shall take into consideration
13 the school district's access to local foundation aid and the obligations of
14 the general fund that must be satisfied during the month. The amount
15 determined by the state board under this provision is the amount of state
16 foundation aid that will be distributed to the school district in the months
17 of July through May.

18 (2) In the month of June of each school year, payment shall be made
19 of the full amount of the state foundation aid determined for the school
20 year less the sum of the monthly payments made in the months of July
21 through May pursuant to subsection (b)(1).

22 (c) Payments of state foundation aid shall be distributed to school
23 districts once each month on the dates prescribed by the state board. The
24 state board shall certify to the director of accounts and reports the amount
25 due as state foundation aid to each school district in each of the months of
26 July through June. Such certification, and the amount of state foundation
27 aid payable from the state general fund, shall be approved by the director
28 of the budget. The director of accounts and reports shall draw warrants on
29 the state treasurer payable to the school district treasurer of each school
30 district, pursuant to vouchers approved by the state board. Upon receipt of
31 such warrant, each school district treasurer shall deposit the amount of
32 state foundation aid in the general fund of the school district, except that
33 an amount equal to the amount of federal impact aid not included in the
34 local foundation aid of a school district may be disposed of as provided in
35 section 38(a), and amendments thereto.

36 (d) If any amount of state foundation aid that is due to be paid during
37 the month of June of a school year pursuant to the other provisions of this
38 section is not paid on or before June 30 of such school year, then such
39 payment shall be paid on or after the ensuing July 1, as soon as moneys are
40 available therefor. Any payment of state foundation aid that is due to be
41 paid during the month of June of a school year and that is paid to school
42 districts on or after the ensuing July 1 shall be recorded and accounted for
43 by school districts as a receipt for the school year ending on the preceding

1 June 30.

2 New Sec. 8. In the event any school district is paid more than it is
3 entitled to receive under any distribution made under this act or under any
4 statute repealed by this act, the state board shall notify the school district
5 of the amount of such overpayment, and such school district shall remit the
6 same to the state board. The state board shall remit any moneys so
7 received to the state treasurer in accordance with the provisions of K.S.A.
8 75-4215, and amendments thereto. Upon receipt of each such remittance,
9 the state treasurer shall deposit the entire amount in the state treasury to
10 the credit of the state school district finance fund. If any school district
11 fails to remit, the state board shall deduct the excess amounts paid from
12 future payments becoming due to the school district. In the event any
13 school district is paid less than the amount it is to receive under any
14 distribution made under this act, the state board shall pay the additional
15 amount due at any time within the school year in which the underpayment
16 was made or within 60 days after the end of such school year.

17 New Sec. 9. On or before October 10 of each school year, the clerk or
18 superintendent of each school district shall certify under oath to the state
19 board a report showing the total enrollment of the school district by grades
20 maintained in the schools of the school district and such other reports as
21 the state board may require. Each such report shall show postsecondary
22 education enrollment, career technical education enrollment, special
23 education enrollment, bilingual education enrollment, at-risk student
24 enrollment and virtual school enrollment in such detail and form as is
25 specified by the state board. Upon receipt of such reports, the state board
26 shall examine the reports and if the state board finds any errors in any such
27 report, the state board shall consult with the school district officer
28 furnishing the report and make any necessary corrections in the report. On
29 or before August 25 of each year, each such clerk or superintendent shall
30 also certify to the state board a copy of the budget adopted by the school
31 district.

32 New Sec. 10. (a) If the state board determines that the enrollment of a
33 school district in the preceding school year decreased from the enrollment
34 in the second preceding school year and that a disaster contributed to such
35 decrease, the enrollment of such school district in the second school year
36 following the school year in which the enrollment of the school district
37 was first affected by the disaster shall be the greater of:

38 (1) The enrollment of preschool-aged at-risk students, if any, plus the
39 average of the enrollment for the current and the preceding three school
40 years, excluding the enrollment of preschool-aged at-risk students in each
41 such year; or

42 (2) the enrollment of the school district, as defined in section 4, and
43 amendments thereto.

1 (b) As used in this section, "disaster" means the occurrence of
2 widespread or severe damage, injury or loss of life or property resulting
3 from flood, earthquake, tornado, wind, storm, drought, blight or
4 infestation.

5 New Sec. 11. (a) Each school year, the state board shall:

6 (1) Determine the number of students enrolled in each school district
7 on September 20; and

8 (2) determine the number of military students enrolled in each school
9 district on February 20, who were not enrolled on the preceding September
10 20.

11 (b) If the number obtained under subsection (a)(2) is 25 or more, or
12 such number is at least 1% of the number determined under subsection (a)
13 (1), an amount equal to the number obtained under subsection (a)(2) shall
14 be added to the number determined under subsection (a)(1). The resulting
15 sum is the enrollment of the school district.

16 (c) The state board shall recompute the adjusted enrollment of the
17 school district and the general fund budget of the school district based on
18 the enrollment as determined under this section.

19 (d) School districts desiring to determine enrollment under this
20 section shall submit any documentation or information required by the
21 state board.

22 (e) As used in this section, the term "military student" means a person
23 who is a dependent of a full-time active duty member of the military
24 service or a dependent of a member of any of the United States military
25 reserve forces who has been ordered to active duty under 10 U.S.C. §§
26 12301, 12302 or 12304, or ordered to full-time active duty for a period of
27 more than 30 consecutive days under 32 U.S.C. §§ 502(f) or 512 for the
28 purposes of mobilizing for war, international peacekeeping missions,
29 national emergency or homeland defense activities.

30 New Sec. 12. Whenever a new school district has been established or
31 the boundaries of a school district have been changed, the state board shall
32 make appropriate revisions concerning the affected school districts as may
33 be necessary for the purposes of this act to reflect such establishment of a
34 school district or changes in boundaries. Such revisions shall be based on
35 the most reliable data obtainable from the superintendent of the school
36 district and the county clerk.

37 New Sec. 13. (a) (1) For the purposes of this act, the total foundation
38 aid for any school district formed by consolidation in accordance with the
39 statutory provisions contained in article 87 of chapter 72 of the Kansas
40 Statutes Annotated, and amendments thereto, shall be computed by the
41 state board by determining the amount of the total foundation aid each of
42 the former school districts that comprise the consolidated school district
43 received in the school year preceding the date the consolidation was

1 completed, and calculating the sum of such amounts. The sum is the total
2 foundation aid of the consolidated school district for the school year in
3 which the consolidation was completed.

4 (2) If any of the former school districts had an enrollment of less than
5 150 students in the school year preceding the consolidation, the total
6 foundation aid of the newly consolidated school district for the two school
7 years following the school year in which the consolidation was completed
8 shall be the greater of: (A) The amount received in the school year in
9 which the consolidation was completed; or (B) the amount the school
10 district would receive under this act.

11 (3) If all of the former school districts had an enrollment of at least
12 150 students, but any had less than 200 students in the school year
13 preceding the consolidation, the total foundation aid of the newly
14 consolidated school district for the three school years following the school
15 year in which the consolidation was completed shall be the greater of: (A)
16 The amount received in the school year in which the consolidation was
17 completed; or (B) the amount the school district would receive under this
18 act.

19 (4) If all of the former school districts had an enrollment of 200 or
20 more students in the school year preceding the consolidation, the total
21 foundation aid of the newly consolidated school district for the four school
22 years following the school year in which the consolidation was completed
23 shall be the greater of: (A) The amount received in the school year in
24 which the consolidation was completed; or (B) the amount the school
25 district would receive under this act.

26 (5) If the consolidation involved the consolidation of three or more
27 school districts, regardless of the number of students enrolled in the school
28 districts, the total foundation aid of the newly consolidated school district
29 for the four school years following the school year in which the
30 consolidation was completed shall be the greater of: (A) The amount
31 received in the school year in which the consolidation was completed; or
32 (B) the amount the school district would receive under this act.

33 (b) (1) The provisions of this subsection shall apply to school districts
34 that have been enlarged by the attachment of territory pursuant to the
35 procedure established in article 73 of chapter 72 of the Kansas Statutes
36 Annotated, and amendments thereto.

37 (2) For the purposes of this act, the total foundation aid for any
38 school district to which this subsection applies shall be computed by the
39 state board of education as follows: (A) Determine the amount of the total
40 foundation aid each of the former school districts that comprise the
41 enlarged school district received in the school year preceding the date the
42 attachment was completed; and (B) add the amounts determined under
43 subparagraph (A). The sum is the total foundation aid of the enlarged

1 school district for the school year in which the attachment is completed.

2 (3) If any of the former school districts had an enrollment of less than
3 150 students in the school year preceding the attachment, the total
4 foundation aid of the enlarged school district for the two school years
5 following the school year in which the attachment was completed shall be
6 the greater of: (A) The amount received in the school year in which the
7 attachment was completed; or (B) the amount the school district would
8 receive under this act.

9 (4) If all of the former school districts had an enrollment of at least
10 150 students, but any had less than 200 students in the school year
11 preceding the attachment, the total foundation aid of the enlarged school
12 district for the three school years following the school year in which the
13 attachment was completed shall be the greater of: (A) The amount
14 received in the school year in which the attachment was completed; or (B)
15 the amount the school district would receive under this act.

16 (5) If all of the former school districts had an enrollment of 200 or
17 more students in the school year preceding the attachment, the total
18 foundation aid of the enlarged school district for the four school years
19 following the school year in which the attachment was completed shall be
20 the greater of: (A) The amount received in the school year in which the
21 attachment was completed; or (B) the amount the school district would
22 receive under this act.

23 (6) If three or more school districts, regardless of the number of
24 students enrolled in the school districts, are disorganized and attached to a
25 single school district, the total foundation aid of the enlarged school
26 district for the four school years following the school year in which the
27 attachment was completed shall be the greater of: (A) The amount
28 received in the school year in which the attachment was completed; or (B)
29 the amount the school district would receive under this act.

30 (7) Except as specifically provided by this paragraph for the
31 allocation of total foundation aid among school districts, the provisions of
32 paragraphs (1) through (6) shall be applicable to school districts to which
33 this paragraph applies. If a school district is disorganized in accordance
34 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
35 amendments thereto, and the territory of such school district is attached to
36 more than one school district, the total foundation aid for each school
37 district to which any territory from the disorganized school district is
38 attached, shall be computed by the state board as follows: (A) Determine
39 the amount of total foundation aid received by the former school district in
40 the school year preceding the date the disorganization and attachment was
41 completed; (B) determine the amount of total foundation aid received by
42 the enlarged school district in the school year preceding the date the
43 disorganization and attachment was completed; (C) determine the assessed

1 valuation of the former school district in the school year preceding the date
2 the disorganization and attachment was completed; (D) determine the
3 assessed valuation of the territory attached to each enlarged school district;
4 (E) allocate the amount of the total foundation aid received by the former
5 school district in the school year preceding the date the disorganization
6 and attachment was completed to each of the enlarged school districts in
7 the same proportion the assessed valuation of the territory attached to each
8 school district bears to the assessed valuation of the former school district;
9 and (F) add the amounts determined under subparagraphs (B) and (E). The
10 sum is the total foundation aid of the enlarged school district for the school
11 year in which the attachment is completed.

12 New Sec. 14. (a) The board of education of each school district shall
13 levy an ad valorem tax upon the taxable tangible property of the school
14 district in the school years specified in subsection (b) for the purpose of:

15 (1) Financing that portion of the school district's general fund budget
16 that is not financed from any other source provided by law;

17 (2) paying a portion of the costs of operating and maintaining public
18 schools in partial fulfillment of the constitutional obligation of the
19 legislature to finance the educational interests of the state; and

20 (3) with respect to any redevelopment school district established prior
21 to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto,
22 paying a portion of the principal and interest on bonds issued by cities
23 under authority of K.S.A. 12-1774, and amendments thereto, for the
24 financing of redevelopment projects upon property located within the
25 school district.

26 (b) The tax required under subsection (a) shall be levied at a rate of
27 20 mills in the school years 2017-2018 and 2018-2019.

28 (c) The proceeds from the tax levied by a district under authority of
29 this section, except the proceeds of such tax levied for the purpose
30 described in subsection (a)(3), shall be remitted to the state treasurer in
31 accordance with the provisions of K.S.A. 75-4215, and amendments
32 thereto. Upon receipt of each such remittance, the state treasurer shall
33 deposit the entire amount in the state treasury to the credit of the state
34 school district finance fund.

35 (d) No school district shall proceed under K.S.A. 79-1964, 79-1964a
36 or 79-1964b, and amendments thereto.

37 New Sec. 15. (a) In each school year, the board of education of a
38 school district may adopt, by resolution, a local option budget that does
39 not exceed the state prescribed percentage.

40 (b) Subject to the limitations of subsection (a), in each school year,
41 the board of education of a school district may adopt, by resolution, a local
42 option budget in an amount that does not exceed:

43 (1) The amount that the board was authorized to adopt under any

1 resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its
2 expiration; or

3 (2) the state-wide average for the preceding school year as
4 determined by the state board pursuant to subsection (i).

5 The adoption of a resolution pursuant to this section shall require a
6 majority vote of the members of the board. Such resolution shall be
7 effective upon adoption and shall require no other procedure, authorization
8 or approval.

9 (c) If the board of a school district desires to increase its local option
10 budget authority above the amount authorized under subsection (b), the
11 board may adopt, by resolution, such budget in an amount not to exceed
12 the state prescribed percentage. The adoption of a resolution pursuant to
13 this subsection shall require a majority vote of the members of the board.
14 The resolution shall be published at least once in a newspaper having
15 general circulation in the school district. The resolution shall be published
16 in substantial compliance with the following form:

17 Unified School District No. _____,
18 _____ County, Kansas.

19 RESOLUTION

20 Be It Resolved that:

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

33 CERTIFICATE

34 This is to certify that the above resolution was duly adopted by the
35 board of education of unified school district No. _____, _____ County,
36 Kansas, on the ____ day of _____, _____.

37 _____
38 Clerk of the board of education.

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

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

7 (d) Unless specifically stated otherwise in the resolution, the authority
8 to adopt a local option budget shall be continuous and permanent. The
9 board of any school district that is authorized to adopt a local option
10 budget may choose not to adopt such a budget or may adopt a budget in an
11 amount less than the amount authorized. If the board of any school district
12 whose authority to adopt a local option budget is not continuous and
13 permanent refrains from adopting a local option budget, the authority of
14 such school district to adopt a local option budget shall not be extended by
15 such refrainment beyond the period specified in the resolution authorizing
16 adoption of such budget.

17 (e) The board of any school district may initiate procedures to renew
18 or increase the authority to adopt a local option budget at any time during
19 a school year after the tax levied pursuant to section 19, and amendments
20 thereto, is certified to the county clerk under any existing authorization.

21 (f) The board of any school district authorized to adopt a local option
22 budget prior to July 1, 2017, under a resolution that authorized the
23 adoption of such budget in accordance with the provisions of K.S.A. 2016
24 Supp. 72-6471, prior to its expiration, may continue to operate under such
25 resolution for the period of time specified in the resolution or may
26 abandon the resolution and operate under the provisions of this section.
27 Any such school district shall operate under the provisions of this section
28 after the period of time specified in any previously adopted resolution has
29 expired.

30 (g) Any resolution adopted pursuant to this section may revoke or
31 repeal any resolution previously adopted by the board. If the resolution
32 does not revoke or repeal previously adopted resolutions, all resolutions
33 that are in effect shall expire on the same date. The maximum amount of
34 the local option budget of a school district under all resolutions in effect
35 shall not exceed the state prescribed percentage in any school year.

36 (h) (1) There is hereby established in each school district that adopts a
37 local option budget a supplemental general fund, which shall consist of all
38 amounts deposited therein or credited thereto according to law.

39 (2) Subject to the limitations imposed under subsection (h)(3),
40 amounts in the supplemental general fund may be expended for any
41 purpose for which expenditures from the general fund are authorized or
42 may be transferred to any categorical fund of the school district. Amounts
43 in the supplemental general fund attributable to any percentage over 25%

1 of total foundation aid determined for the current school year may be
2 transferred to the capital improvements fund of the school district and the
3 capital outlay fund of the school district if such transfers are specified in
4 the resolution authorizing the adoption of a local option budget in excess
5 of 25%.

6 (3) Amounts in the supplemental general fund may not be expended
7 for the purpose of making payments under any lease-purchase agreement
8 involving the acquisition of land or buildings that is entered into pursuant
9 to the provisions of K.S.A. 72-8225, and amendments thereto.

10 (4) (A) Except as provided in subsection (h)(4)(B), any unexpended
11 moneys remaining in the supplemental general fund of a school district at
12 the conclusion of any school year in which a local option budget is
13 adopted shall be maintained in such fund.

14 (B) If the school district received supplemental state aid in the school
15 year, the state board shall determine the ratio of the amount of
16 supplemental general state aid received to the amount of the local option
17 budget of the school district for the school year and multiply the total
18 amount of the unexpended moneys remaining by such ratio. An amount
19 equal to the amount of the product shall be transferred to the general fund
20 of the school district or remitted to the state treasurer in accordance with
21 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt
22 of any such remittance, the state treasurer shall deposit the same in the
23 state treasury to the credit of the state school district finance fund.

24 (i) Each year, the state board shall determine the statewide average
25 percentage of local option budgets legally adopted by school districts for
26 the preceding school year.

27 (j) The provisions of this section shall be subject to the provisions of
28 section 16, and amendments thereto.

29 (k) As used in this section:

30 (1) "Authorized to adopt a local option budget" means that a school
31 district has adopted a resolution pursuant to subsection (c).

32 (2) "State prescribed percentage" means 33% of the total foundation
33 aid of the school district in the current school year.

34 (3) "Total foundation aid" means the same as such term is defined in
35 section 4, and amendments thereto.

36 New Sec. 16. (a) (1) Subject to the provisions of subsection (e), the
37 provisions of this subsection shall apply in any school year in which the
38 amount of BASE aid is \$4,490 or less.

39 (2) The board of education of a school district may adopt a local
40 option budget that does not exceed the local option budget calculated as if
41 the BASE aid was \$4,490, or that does not exceed the local option budget
42 as calculated pursuant to section 15, and amendments thereto, whichever is
43 greater.

1 (b) The board of education of a school district may adopt a local
2 option budget that does not exceed the local option budget calculated as if
3 the school district received state aid for special education and related
4 services equal to the amount of state aid for special education and related
5 services received in school year 2008-2009, or that does not exceed the
6 local option budget as calculated pursuant to section 15, and amendments
7 thereto, whichever is greater.

8 (c) The board of any school district may exercise the authority
9 granted under subsection (a) or (b) or both subsections (a) and (b).

10 (d) To the extent that the provisions of section 15, and amendments
11 thereto, conflict with this section, this section shall control.

12 (e) For school year 2019-2020, and each school year thereafter, the
13 specified dollar amount used in subsection (a) for purposes of determining
14 the local option budget of a school district shall be the specified dollar
15 amount used for the immediately preceding school year plus an amount
16 equal to the average percentage increase in the consumer price index for
17 all urban consumers in the midwest region as published by the bureau of
18 labor statistics of the United States department of labor during the three
19 immediately preceding school years.

20 New Sec. 17. (a) In each school year, each school district that has
21 adopted a local option budget is eligible to receive supplemental state aid.
22 Except as provided by section 18, and amendments thereto, supplemental
23 state aid shall be determined by the state board as provided in subsection
24 (b).

25 (b) The state board shall:

26 (1) (A) For school year 2017-2018, determine the amount of the
27 assessed valuation per student in the preceding school year of each school
28 district; and

29 (B) for school year 2018-2019 and each school year thereafter,
30 determine the average assessed valuation per student of each school
31 district by adding the assessed valuation per student for each of the three
32 immediately preceding school years and dividing the resulting sum by
33 three;

34 (2) rank the school districts from low to high on the basis of the
35 amounts of assessed valuation per student determined under subsection (b)
36 (1);

37 (3) identify the amount of the assessed valuation per student located
38 at the 81.2 percentile of the amounts ranked under subsection (b)(2);

39 (4) divide the assessed valuation per student of the school district as
40 determined under subsection (b)(1) by the amount identified under
41 subsection (b)(3); and

42 (5) (A) if the quotient obtained under subsection (b)(4) equals or
43 exceeds one, the school district shall not receive supplemental state aid; or

1 (B) if the quotient obtained under subsection (b)(4) is less than one,
2 subtract the quotient obtained under subsection (b)(4) from one, and
3 multiply the difference by the amount of the local option budget of the
4 school district for the immediately preceding school year. The resulting
5 product is the amount of supplemental state aid the school district is to
6 receive for the school year.

7 (c) Payments of supplemental state aid shall be distributed to school
8 districts on the dates prescribed by the state board. The state board shall
9 certify to the director of accounts and reports the amount due each school
10 district, and the director of accounts and reports shall draw a warrant on
11 the state treasurer payable to the treasurer of the school district. Upon
12 receipt of the warrant, the treasurer of the school district shall credit the
13 amount thereof to the supplemental general fund of the school district to
14 be used for the purposes of such fund.

15 (d) For the purposes of determining the total amount of state moneys
16 paid to school districts, all moneys appropriated as supplemental state aid
17 shall be deemed to be state moneys for educational and support services
18 for school districts.

19 New Sec. 18. (a) (1) For the purposes of determining the amount of
20 supplemental state aid, the state board shall determine the ranking of each
21 of the former school districts of which the school district is composed as
22 required by section 17(b)(2), and amendments thereto, for the school year
23 prior to the effectuation of the consolidation or attachment.

24 (2) For the school year in which the consolidation or attachment is
25 effectuated and the next succeeding two school years, the ranking of the
26 school district for the purposes of section 17(b)(2), and amendments
27 thereto, shall be the ranking of the school district receiving the highest
28 amount of supplemental state aid determined under subsection (a)(1).

29 (b) The provisions of this section shall apply to school districts that
30 have consolidated or disorganized on and after July 1, 2004.

31 (c) As used in this section, "school district" means:

32 (1) Any school district formed by consolidation in accordance with
33 article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments
34 thereto; or

35 (2) any school district formed by disorganization and attachment in
36 accordance with article 73 of chapter 72 of the Kansas Statutes Annotated,
37 and amendments thereto, if all the territory which comprised a
38 disorganized school district is attached to a single school district.

39 New Sec. 19. (a) In each school year, the board of each school district
40 that has adopted a local option budget may levy an ad valorem tax on the
41 taxable tangible property of the school district for the purposes of:

42 (1) Financing that portion of the school district's local option budget
43 that is not financed from any other source provided by law;

1 (2) paying a portion of the principal and interest on bonds issued by
2 cities under authority of K.S.A. 12-1774, and amendments thereto, for the
3 financing of redevelopment projects upon property located within the
4 school district; and

5 (3) funding transfers to the capital improvement fund of the school
6 district and the capital outlay fund of the school district if such transfers
7 are specified in the resolution authorizing the adoption of a local option
8 budget in excess of 25% of the total foundation aid determined for the
9 current school year.

10 (b) The proceeds from the tax levied by a school district under
11 authority of this section, except the proceeds of such tax levied for the
12 purpose of paying a portion of the principal and interest on bonds issued
13 by cities under authority of K.S.A. 12-1774, and amendments thereto, for
14 the financing of redevelopment projects upon property located within the
15 school district, shall be deposited in the supplemental general fund of the
16 school district.

17 (c) No school district shall proceed under K.S.A. 79-1964, 79-1964a
18 or 79-1964b, and amendments thereto.

19 New Sec. 20. (a) The transportation weighting of each school district
20 shall be determined by the state board as follows:

21 (1) Determine the total expenditures of the school district during the
22 preceding school year from all funds for transporting students of public
23 and nonpublic schools on regular school routes;

24 (2) determine the sum of: (A) The number of students who were
25 included in the enrollment of the school district in the preceding school
26 year who resided less than 2¹/₂ miles by the usually traveled road from the
27 school building such students attended and for whom transportation was
28 made available by the school district; and (B) the number of nonresident
29 students who were included in the enrollment of the school district for the
30 preceding school year and for whom transportation was made available by
31 the school district;

32 (3) determine the number of students who were included in the
33 enrollment of the district in the preceding school year who resided 2¹/₂
34 miles or more by the usually traveled road from the school building such
35 students attended and for whom transportation was made available by the
36 school district;

37 (4) multiply the number of students determined under subsection (a)
38 (3) by 2.8;

39 (5) divide the amount determined under subsection (a)(2) by the
40 product obtained under subsection (a)(4);

41 (6) add one to the quotient obtained under subsection (a)(5);

42 (7) multiply the sum obtained under subsection (a)(6) by the amount
43 determined under subsection (a)(3);

1 (8) divide the amount determined under subsection (a)(1) by the
2 product obtained under subsection (a)(7). The resulting quotient is the per-
3 student cost of transportation;

4 (9) on a density-cost graph, plot the per-student cost of transportation
5 for each school district;

6 (10) construct a curve of best fit for the points so plotted;

7 (11) locate the index of density for the school district on the base line
8 of the density-cost graph and from the point on the curve of best fit
9 directly above this point of index of density follow a line parallel to the
10 base line to the point of intersection with the vertical line, which point is
11 the formula per-student cost of transportation of the school district;

12 (12) divide the formula per-student cost of transportation of the
13 school district by the BASE aid; and

14 (13) multiply the quotient obtained under subsection (a)(12) by the
15 number of students who are included in the enrollment of the school
16 district, are residing $2\frac{1}{2}$ miles or more by the usually traveled road to the
17 school building they attend, and for whom transportation is being made
18 available by, and at the expense of, the district.

19 (b) (1) For school years 2017-2018 and 2018-2019, the transportation
20 weighting of the school district shall be either the product determined
21 under subsection (a)(13), or that portion of such school district's general
22 state aid for school year 2016-2017 that was attributable to the school
23 district's transportation weighting, whichever is greater.

24 (2) For school year 2019-2020, and each school year thereafter, the
25 transportation weighting of the school district shall be the product
26 determined under subsection (a)(13).

27 (c) For the purpose of providing accurate and reliable data on student
28 transportation, the state board is authorized to adopt rules and regulations
29 prescribing procedures that school districts shall follow in reporting
30 pertinent information, including uniform reporting of expenditures for
31 transportation.

32 (d) As used in this section:

33 (1) "Curve of best fit" means the curve on a density-cost graph drawn
34 so the sum of the distances squared from such line to each of the points
35 plotted on the graph is the least possible.

36 (2) "Density-cost graph" means a drawing having: (A) A horizontal or
37 base line divided into equal intervals of density, beginning with zero on the
38 left; and (B) a scale for per-student cost of transportation to be shown on a
39 line perpendicular to the base line at the left end thereof, such scale to
40 begin with zero dollars at the base line ascending by equal per-student cost
41 intervals.

42 (3) "Index of density" means the number of students who are
43 included in the enrollment of a school district in the current school year,

1 are residing the designated distance or more by the usually traveled road
2 from the school building they attend, and for whom transportation is being
3 made available on regular school routes by the school district, divided by
4 the number of square miles of territory in the school district.

5 New Sec. 21. (a) The low enrollment weighting of each school
6 district shall be determined by the state board as follows:

7 (1) For school districts with an enrollment of fewer than 100 students,
8 multiply the enrollment of the school district by 1.014331. The resulting
9 product is the low enrollment weighting of the school district;

10 (2) for school districts with an enrollment of at least 100 students, but
11 fewer than 300 students:

12 (A) Subtract 100 from the enrollment of the school district;

13 (B) multiply the difference obtained under subsection (a)(2)(A) by
14 9.655;

15 (C) subtract the product obtained under subsection (a)(2)(B) from
16 7,337;

17 (D) divide the difference obtained under subsection (a)(2)(C) by
18 3,642.4;

19 (E) subtract one from the quotient obtained under subsection (a)(2)
20 (D); and

21 (F) multiply the difference obtained under subsection (a)(2)(E) by the
22 enrollment of the school district. The resulting product is the low
23 enrollment weighting of the school district;

24 (3) for school districts with an enrollment of at least 300 students, but
25 fewer than 1,622 students:

26 (A) Subtract 300 from the enrollment of the school district;

27 (B) multiply the difference obtained under subsection (a)(3)(A) by
28 1.2375;

29 (C) subtract the product obtained under subsection (a)(3)(B) from
30 5,406;

31 (D) divide the difference obtained under subsection (a)(3)(C) by
32 3,642.4;

33 (E) subtract one from the quotient obtained under subsection (c)(D);
34 and

35 (F) multiply the difference obtained under subsection (a)(3)(E) by the
36 enrollment of the school district. The resulting product is the low
37 enrollment weighting of the school district.

38 (b) For school districts with an enrollment of at least 1,622 students,
39 multiply the enrollment of the school district by 0.03504. The resulting
40 product is the high enrollment weighting of the school district.

41 New Sec. 22. The bilingual weighting of each school district shall be
42 determined by the state board as follows:

43 (a) Determine the full-time equivalent enrollment in approved

1 programs of bilingual education during the preceding school year and
2 multiply such enrollment by 0.361;

3 (b) determine the number of students enrolled in approved programs
4 of bilingual education during the preceding school year and multiply such
5 enrollment by 0.185; and

6 (c) the bilingual weighting shall be either the amount determined
7 under subsection (a) or (b), whichever is greater.

8 New Sec. 23. (a) The at-risk student weighting of each school district
9 shall be determined by the state board as follows:

10 (1) Determine the number of at-risk students included in the
11 enrollment of the school district; and

12 (2) for a school district with an enrollment that consists of 10% or
13 more at-risk students, multiply the number determined under subsection
14 (a)(1) by 0.456. The resulting sum is the at-risk student weighting of the
15 school district; or

16 (3) for a school district with an enrollment that consists of less than
17 10% at-risk students, multiply the number of students equal to 10% of
18 such school district's enrollment by 0.456. The resulting sum is the at-risk
19 student weighting of the school district. A school district whose at-risk
20 student weighting is determined pursuant to this paragraph shall submit a
21 report to the state board in such form and manner as required by the state
22 board that identifies those students enrolled in such school district who are
23 receiving at-risk program services and the criteria each such student
24 satisfies in order to receive at-risk program services. The state board shall
25 adopt rules and regulations that establish the criteria for eligibility for at-
26 risk program services. The provisions of this paragraph shall only apply to
27 those school districts that offer instruction in kindergarten and grades one
28 through 12.

29 (b) Except as provided in subsection (b)(4), the high-density at-risk
30 student weighting of each school district shall be determined by the state
31 board as follows:

32 (1) (A) If the enrollment of the school district is at least 35% at-risk
33 students, but less than 50% at-risk students:

34 (i) Subtract 35% from the percentage of at-risk students included in
35 the enrollment of the school district;

36 (ii) multiply the difference determined under subsection (b)(1)(A)(i)
37 by 0.7; and

38 (iii) multiply the product determined under subsection (b)(1)(A)(ii)
39 by the number of at-risk students included in the enrollment of the school
40 district; or

41 (B) if the enrollment of the school district is 50% or more at-risk
42 students, multiply the number of at-risk students included in the
43 enrollment of the school district by 0.105; or

1 (2) (A) if the enrollment of a school in the school district is at least
2 35% at-risk students, but less than 50% at-risk students:

3 (i) Subtract 35% from the percentage of at-risk students included in
4 the enrollment of such school;

5 (ii) multiply the difference determined under subsection (b)(2)(A)(i)
6 by 0.7; and

7 (iii) multiply the product determined under subsection (b)(2)(A)(ii)
8 by the number of at-risk students included in the enrollment of such
9 school; or

10 (B) if the enrollment of a school in the school district is 50% or more
11 at-risk students, multiply the number of at-risk students included in the
12 enrollment of such school by 0.105; and

13 (C) add the products determined under subsections (b)(2)(A)(iii) and
14 (b)(2)(B) for each such school in the school district, respectively.

15 (3) The high-density at-risk weighting of the school district shall be
16 the greater of the product determined under subsection (b)(1) or the sum
17 determined under subsection (b)(2)(C).

18 (4) School districts that qualify to receive the high-density at-risk
19 weighting pursuant to this section shall spend any money attributable to
20 the school district's high-density at-risk weighting on the at-risk best
21 practices developed by the state board pursuant to section 25(d), and
22 amendments thereto. If a school district that qualifies for the high-density
23 at-risk weighting does not spend such money on such best practices, the
24 state board shall notify the school district that it shall either spend such
25 money on such best practices or shall show improvement within five years
26 of notification. Improvement shall include, but not be limited to, the
27 following: (A) The percentage of students at grade level on state math and
28 English language arts assessments; (B) the percentage of students that are
29 college and career ready on state math and English language arts
30 assessments; (C) the average composite ACT score; or (D) the four-year
31 graduation rate. If a school district does not spend such money on such
32 best practices and does not show improvement within five years, the
33 school district shall not qualify to receive the high-density at-risk
34 weighting in the succeeding school year.

35 New Sec. 24. (a) If a student submits an application for free meals
36 under the national school lunch act on or before the date on which the
37 enrollment of the school district is calculated and it is later determined by
38 the school district or the department of education that the student should
39 not have been eligible for free meals, the school district or the department
40 shall notify the state board of such determination. Except as provided in
41 subsection (b), upon receipt of such notice, the state board shall recompute
42 the adjusted enrollment of the school district and the general fund budget
43 of the school district based on the adjusted enrollment of the school district

1 excluding the at-risk student weighting and high density at-risk student
2 weighting, if any, assigned to such student.

3 (b) If a student becomes ineligible to receive free meals under the
4 national school lunch act for failure to submit, in a timely manner, any
5 documentation necessary for verification of eligibility as required by the
6 national school lunch act, but subsequently submits such documentation,
7 such student shall not be excluded from the calculation of the adjusted
8 enrollment of the school district if the school district forwards a copy of
9 such documentation to the state board no later than January 14 of the
10 school year.

11 New Sec. 25. (a) There is hereby established in every school district
12 an at-risk education fund, which shall consist of all moneys deposited
13 therein or transferred thereto according to law. The expenses of a school
14 district directly attributable to providing at-risk student assistance or
15 programs shall be paid from the at-risk education fund.

16 (b) Any balance remaining in the at-risk education fund at the end of
17 the budget year shall be carried forward into the at-risk education fund for
18 succeeding budget years. Such fund shall not be subject to the provisions
19 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
20 the budget of such school district, the amounts credited to and the amount
21 on hand in the at-risk education fund, and the amount expended therefrom
22 shall be included in the annual budget for the information of the residents
23 of the school district. Interest earned on the investment of moneys in any
24 such fund shall be credited to that fund.

25 (c) Expenditures from the at-risk education fund of a school district
26 shall only be made for the following purposes:

27 (1) At-risk educational programs based on best practices identified
28 pursuant to subsection (d);

29 (2) personnel providing educational services in conjunction with such
30 programs; or

31 (3) services contracted for by the school district to provide at-risk
32 educational programs based on best practices identified pursuant to
33 subsection (d).

34 (d) On or before July 1, 2018, the state board shall identify and
35 approve evidence-based best practices for at-risk programs and instruction
36 of students receiving at-risk program services. The state board shall review
37 and update such best practices as part of its five-year accreditation system
38 review process.

39 (e) Each year the board of education of each school district shall
40 prepare and submit to the state board a report on the assistance or
41 programs provided by the school district for students identified as at-risk.
42 Such report shall include the number of students identified as at-risk who
43 were served or provided assistance, the type of service provided, the

1 research upon which the school district relied in determining that a need
2 for service or assistance existed, the results of providing such service or
3 assistance and any other information required by the state board.

4 (f) In order to achieve uniform reporting of the number of students
5 provided service or assistance by school districts in at-risk student
6 programs, school districts shall report the number of students served or
7 assisted in the manner required by the state board.

8 New Sec. 26. (a) There is hereby established in every school district a
9 preschool-aged at-risk education fund, which shall consist of all moneys
10 deposited therein or transferred thereto according to law. The expenses of a
11 school district directly attributable to providing preschool-aged at-risk
12 assistance or programs shall be paid from the preschool-aged at-risk
13 education fund.

14 (b) Any balance remaining in the preschool-aged at-risk education
15 fund at the end of the budget year shall be carried forward into the
16 preschool-aged at-risk education fund for succeeding budget years. Such
17 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
18 2937, and amendments thereto. In preparing the budget of such school
19 district, the amounts credited to and the amount on hand in the preschool-
20 aged at-risk education fund, and the amount expended therefrom shall be
21 included in the annual budget for the information of the residents of the
22 school district. Interest earned on the investment of moneys in any such
23 fund shall be credited to that fund.

24 (c) Each year the board of each school district shall prepare and
25 submit to the state board a report on the preschool-aged at-risk student
26 assistance or programs provided by the school district. Such report shall
27 include the number of students who were served or provided assistance,
28 the type of service provided, the research upon which the school district
29 relied in determining that a need for service or assistance existed, the
30 results of providing such service or assistance and any other information
31 required by the state board.

32 New Sec. 27. (a) The career technical education weighting of each
33 school district shall be determined by the state board by multiplying the
34 full-time equivalent enrollment in approved career technical education
35 programs during the preceding school year by 0.5. The resulting product is
36 the career technical education weighting of the school district.

37 (b) The provisions of this section shall expire on July 1, 2019.

38 New Sec. 28. (a) For each school year in which the school facilities
39 weighting may be assigned to the enrollment of the school district, such
40 weighting of such school district shall be determined by the state board as
41 follows:

42 (1) Determine the number of students included in the enrollment of
43 the school district who are attending a new school facility;

1 (2) multiply the number of students determined under subsection (a)
2 (1) by 0.25. The resulting product is the school facilities weighting of the
3 school district.

4 (b) The school facilities weighting may be assigned to the enrollment
5 of a school district only if:

6 (1) The school district adopted a local option budget for school year
7 2014-2015 in an amount equal to at least 25% of the amount of the state
8 financial aid determined for the school district in such school year
9 pursuant to K.S.A. 72-6433, prior to its repeal;

10 (2) the contractual bond obligations incurred by the school district
11 were approved by the electors of the school district at an election held on
12 or before July 1, 2015; and

13 (3) (A) the school district commences operation of a new school
14 facility and the construction of such facility was financed primarily with
15 such contractual bond obligations; or

16 (B) the school district commences operation of a new school facility
17 and the construction of such facility was financed primarily with federal
18 funds and such facility is located on a military reservation.

19 (c) The school facilities weighting may be assigned to the enrollment
20 of the school district only in the school year in which operation of a new
21 school facility is commenced and in the next succeeding school year.

22 New Sec. 29. The special education and related services weighting of
23 each school district shall be determined by the state board as follows:

24 (a) Add the amount of payments received by the school district under
25 the provisions of K.S.A. 72-979, and amendments thereto, to the amount
26 of any grants received by the school district under the provisions of K.S.A.
27 72-983, and amendments thereto; and

28 (b) divide the sum obtained under subsection (a) by the BASE aid.
29 The resulting quotient is the special education and related services
30 weighting of the school district.

31 New Sec. 30. (a) (1) The board of education of a school district to
32 which the provisions of this section apply may levy an ad valorem tax on
33 the taxable tangible property of the school district each year for a period of
34 time not to exceed two years in an amount not to exceed the amount
35 authorized by the state board of tax appeals under this subsection for the
36 purpose of financing the costs incurred by the state that are directly
37 attributable to assignment of ancillary school facilities weighting to the
38 enrollment of the school district. The state board of tax appeals may
39 authorize the school district to make a levy that will produce an amount
40 that is not greater than the difference between the amount of costs directly
41 attributable to commencing operation of one or more new school facilities
42 and the amount that is financed from any other source provided by law for
43 such purpose. If the school district is not eligible, or will be ineligible, for

1 ancillary school facilities weighting in any one or more years during the
2 two-year period for which the school district is authorized to levy a tax
3 under this subsection, the state board of tax appeals may authorize the
4 school district to make a levy, in such year or years of ineligibility, that
5 will produce an amount that is not greater than the actual amount of costs
6 attributable to commencing operation of the facility or facilities.

7 (2) The state board of tax appeals shall certify to the state board the
8 amount authorized to be produced by the levy of a tax under this
9 subsection.

10 (3) The state board of tax appeals may adopt rules and regulations
11 necessary to effectuate the provisions of this subsection, including rules
12 and regulations relating to the evidence required in support of a school
13 district's claim that the costs attributable to commencing operation of one
14 or more new school facilities are in excess of the amount that is financed
15 from any other source provided by law for such purpose.

16 (b) The board of education of a school district that has levied an ad
17 valorem tax on the taxable tangible property of the school district each
18 year for a period of two years under authority of subsection (a) may
19 continue to levy such tax under authority of this subsection each year for
20 an additional period of time not to exceed six years in an amount not to
21 exceed the amount computed by the state board as provided in this
22 subsection if the board of the school district determines that the costs
23 attributable to commencing operation of one or more new school facilities
24 are significantly greater than the costs attributable to the operation of other
25 school facilities in the school district. The tax authorized under this
26 subsection may be levied at a rate that will produce an amount that is not
27 greater than the amount computed by the state board as provided in this
28 subsection. In computing such amount, the state board shall:

29 (1) Determine the amount produced by the tax levied by the school
30 district under authority of subsection (a) in the second year for which such
31 tax was levied and add to such amount the amount of state foundation aid
32 directly attributable to ancillary school facilities weighting that was
33 received by the school district in the same year;

34 (2) compute 90% of the amount of the sum obtained under subsection
35 (b)(1), which computed amount is the amount the school district may levy
36 in the first year of the six-year period for which the school district may
37 levy a tax under authority of this subsection;

38 (3) compute 75% of the amount of the sum obtained under subsection
39 (b)(1), which computed amount is the amount the school district may levy
40 in the second year of the six-year period for which the school district may
41 levy a tax under authority of this subsection;

42 (4) compute 60% of the amount of the sum obtained under subsection
43 (b)(1), which computed amount is the amount the school district may levy

1 in the third year of the six-year period for which the school district may
2 levy a tax under authority of this subsection;

3 (5) compute 45% of the amount of the sum obtained under subsection
4 (b)(1), which computed amount is the amount the school district may levy
5 in the fourth year of the six-year period for which the school district may
6 levy a tax under authority of this subsection;

7 (6) compute 30% of the amount of the sum obtained under subsection
8 (b)(1), which computed amount is the amount the school district may levy
9 in the fifth year of the six-year period for which the school district may
10 levy a tax under authority of this subsection; and

11 (7) compute 15% of the amount of the sum obtained under subsection
12 (b)(1), which computed amount is the amount the school district may levy
13 in the sixth year of the six-year period for which the school district may
14 levy a tax under authority of this subsection.

15 In determining the amount produced by the tax levied by the school
16 district under authority of subsection (a), the state board shall include any
17 moneys apportioned to the ancillary school facilities fund of the school
18 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
19 and 79-5118 et seq., and amendments thereto.

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

26 (d) The ancillary school facilities weighting may be assigned to the
27 enrollment of a school district only if the school district has levied a tax
28 under the authority of subsection (a), and remitted the proceeds from such
29 tax to the state treasurer. The ancillary school facilities weighting of each
30 school district shall be determined in each school year in which such
31 weighting may be assigned to the enrollment of the school district as
32 follows:

33 (1) Add the amount to be produced by a tax levy as authorized under
34 subsection (a) and certified to the state board by the state board of tax
35 appeals to the amount computed under subsection (b) to be produced by a
36 tax levy, if any; and

37 (2) divide the sum obtained under subsection (d)(1) by the BASE aid.
38 The resulting quotient is the ancillary school facilities weighting of the
39 school district.

40 (e) The provisions of this section apply to any school district that:

41 (1) Commenced operation of one or more new school facilities in the
42 school year preceding the current school year or has commenced or will
43 commence operation of one or more new school facilities in the current

1 school year;

2 (2) adopted a local option budget; and

3 (3) is experiencing extraordinary enrollment growth as determined by
4 the state board.

5 New Sec. 31. (a) Subject to subsection (b), the board of education of
6 a school district may levy a tax on the taxable tangible property within the
7 school district for the purpose of financing the costs incurred by the state
8 that are attributable directly to assignment of the cost-of-living weighting
9 to the enrollment of the school district.

10 (b) The state board shall determine whether a school district may levy
11 a tax under this section as follows:

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

14 (2) multiply the amount determined under subsection (b)(1) by 1.25;

15 (3) determine the average appraised value of single family residences
16 in each school district for the calendar year preceding the current school
17 year; and

18 (4) subtract the amount determined under subsection (b)(2) from the
19 amount determined under subsection (b)(3). If the amount determined for
20 the school district is a positive number and the school district has adopted
21 a local option budget in an amount equal to at least 31% of the total
22 foundation aid for the school district, the school district qualifies for
23 assignment of cost-of-living weighting and may levy a tax on the taxable
24 tangible property of the school district for the purpose of financing the
25 costs that are attributable directly to assignment of the cost-of-living
26 weighting to the enrollment of the school district.

27 (c) (1) No tax may be levied under this section unless the board of
28 education adopts a resolution authorizing such a tax levy and publishes the
29 resolution at least once in a newspaper having general circulation in the
30 school district. Except as provided by subsection (e), the resolution shall
31 be published in substantial compliance with the following form:

32 Unified School District No. _____,

33 _____ County, Kansas.

34 RESOLUTION

35 Be It Resolved that:

36 The board of education of the above-named school district shall be
37 authorized to levy an ad valorem tax in an amount not to exceed the
38 amount necessary to finance the costs attributable directly to the
39 assignment of cost-of-living weighting to the enrollment of the school
40 district. The ad valorem tax authorized by this resolution may be levied
41 unless a petition in opposition to the same, signed by not less than 5% of
42 the qualified electors of the school district, is filed with the county election
43 officer of the home county of the school district within 30 days after the

1 publication of this resolution. If a petition is filed, the county election
2 officer shall submit the question of whether the levy of such a tax shall be
3 authorized in accordance with the provisions of this resolution to the
4 electors of the school district at the next general election of the school
5 district, as is specified by the board of education of the school district.

6 CERTIFICATE

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

10 _____
11 Clerk of the board of education.

12 (2) All of the blanks in the resolution shall be filled appropriately. If
13 no petition as specified above is filed in accordance with the provisions of
14 the resolution, the resolution authorizing the ad valorem tax levy shall
15 become effective. If a petition is filed as provided in the resolution, the
16 board may notify the county election officer to submit the question of
17 whether such tax levy shall be authorized. If the board fails to notify the
18 county election officer within 30 days after a petition is filed, the
19 resolution shall be deemed abandoned and of no force and effect and no
20 like resolution shall be adopted by the board within the nine months
21 following publication of the resolution. If a majority of the votes cast in an
22 election conducted pursuant to this provision is in favor of the resolution,
23 such resolution shall be effective on the date of such election. If a majority
24 of the votes cast is not in favor of the resolution, the resolution shall be
25 deemed of no force and effect and no like resolution shall be adopted by
26 the board within the nine months following such election.

27 (d) There is hereby established in every school district a cost-of-
28 living fund, which shall consist of all moneys deposited therein or
29 transferred thereto in accordance with law. All moneys derived from a tax
30 imposed pursuant to this section shall be credited to the cost-of-living
31 fund. The proceeds from the tax levied by a school district credited to the
32 cost-of-living fund shall be remitted to the state treasurer in accordance
33 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
34 receipt of each such remittance, the state treasurer shall deposit the entire
35 amount in the state treasury to the credit of the state school district finance
36 fund.

37 (e) In determining the amount produced by the tax levied by the
38 school district under the authority of this section, the state board shall
39 include any moneys apportioned to the cost-of-living fund of the school
40 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
41 and 79-5118 et seq., and amendments thereto.

42 (f) The cost-of-living weighting of a school district shall be
43 determined by the state board in each school year in which such weighting

1 may be assigned to the enrollment of the school district as follows:

2 (1) Divide the amount determined under subsection (b)(4) by the
3 amount determined under subsection (b)(2);

4 (2) multiply the quotient determined under subsection (f)(1) by 0.095;

5 (3) multiply the school district's total foundation aid for the current
6 school year, excluding the amount determined under this provision, by the
7 lesser of the product determined under subsection (f)(2) or 0.05; and

8 (4) divide the product determined under subsection (f)(3) by the
9 BASE aid for the current school year. The quotient is the cost-of-living
10 weighting of the school district.

11 New Sec. 32. (a) (1) (A) The board of education of a school district
12 may levy an ad valorem tax on the taxable tangible property of the school
13 district each year for a period of time not to exceed two years, unless
14 authority to make such levy is renewed by the state board of tax appeals, in
15 an amount not to exceed the amount authorized by the state board of tax
16 appeals under this section for the purpose of financing the costs incurred
17 by the state that are directly attributable to assignment of declining
18 enrollment weighting to the enrollment of the school district. The state
19 board of tax appeals may authorize the school district to make a levy that
20 will produce an amount that is not greater than the amount of revenues lost
21 as a result of the declining enrollment of the school district. Such amount
22 shall not exceed 5% of the general fund budget of the school district in the
23 school year in which the school district applies to the state board of tax
24 appeals for authority to make a levy pursuant to this subsection. The state
25 board of tax appeals may renew the authority to make such levy for
26 periods of time not to exceed two years.

27 (B) For school year 2017-2018, as an alternative to the authority
28 provided in subsection (a)(1)(A), if a school district was authorized to
29 make a levy pursuant to K.S.A. 72-6451, prior to its repeal, in school year
30 2006-2007, such school district shall remain authorized to make a levy at a
31 rate necessary to generate revenue equal to $\frac{1}{2}$ of the amount that was
32 generated in school year 2007-2008.

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

35 (3) The state board shall prescribe guidelines for the data that school
36 districts shall include in cases before the state board of tax appeals
37 pursuant to this section. The state board shall provide to the state board of
38 tax appeals such school data and information requested by the state board
39 of tax appeals and any other information deemed necessary by the state
40 board.

41 (b) There is hereby established in every school district a declining
42 enrollment fund, which shall consist of all moneys deposited therein or
43 transferred thereto according to law. The proceeds from the tax levied by a

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

8 (c) In determining the amount produced by the tax levied by the
9 school district under authority of this section, the state board shall include
10 any moneys apportioned to the declining enrollment fund of the school
11 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
12 and 79-5118 et seq., and amendments thereto.

13 (d) The declining enrollment weighting of a school district shall be
14 determined by the state board in each school year in which such weighting
15 may be assigned to the enrollment of the school district. The state board
16 shall divide the amount certified under subsection (a)(2) by the BASE aid.
17 The resulting quotient is the declining enrollment weighting of the school
18 district.

19 (e) As used in this section:

20 (1) "Declining enrollment" means an enrollment that has declined in
21 amount from that of the second preceding school year.

22 (2) "School district" means a school district that: (A) Has a declining
23 enrollment; and (B) has adopted a local foundation budget in an amount
24 that equals at least 31% of the total foundation aid for the school district at
25 the time the school district applies to the state board of tax appeals for
26 authority to make a levy pursuant to this section.

27 (f) The provisions of this section shall expire on July 1, 2018.

28 New Sec. 33. For the purpose of determining the general fund budget
29 of a school district, weightings shall not be assigned to a student enrolled
30 in and attending KAMS. Moneys in the general fund that are attributable
31 to a student enrolled in and attending KAMS shall not be included in the
32 computation of the local option budget of the school district.

33 New Sec. 34. (a) There is hereby established in every school district a
34 career and postsecondary education fund, which shall consist of all
35 moneys deposited therein or transferred thereto according to law. All
36 moneys received by a school district for any course or program authorized
37 and approved under the provisions of article 44 of chapter 72 of the
38 Kansas Statutes Annotated, and amendments thereto, except for courses
39 and programs conducted in an area vocational school, shall be credited to
40 the career and postsecondary education fund. All moneys received by the
41 school district from tuition, fees or charges or from any other source for
42 career technical education courses or programs, except for courses and
43 programs conducted in an area vocational school, shall be credited to the

1 career and postsecondary education fund. All moneys received by the
2 school district from tuition, fees or charges or from any other source for
3 postsecondary education courses or programs shall be credited to the
4 career and postsecondary education fund.

5 (b) Expenditures made by a school district that are directly
6 attributable to the following shall be paid from the career and
7 postsecondary education fund:

- 8 (1) Career technical education;
- 9 (2) postsecondary education courses; and
- 10 (3) courses provided through distance-learning technology.

11 (c) Any balance remaining in the career and postsecondary education
12 fund at the end of the budget year shall be carried forward into the career
13 and postsecondary education fund for succeeding budget years. Such fund
14 shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937,
15 and amendments thereto. In preparing the budget of such school district,
16 the amounts credited to and the amount on hand in the career and
17 postsecondary education fund, and the amount expended therefrom shall
18 be included in the annual budget for the information of the residents of the
19 school district.

20 New Sec. 35. There is hereby established in every school district a
21 driver training fund, which shall consist of all moneys deposited therein or
22 transferred thereto according to law. All moneys received by the school
23 district from distributions made from the state safety fund and the
24 motorcycle safety fund and from tuition, fees or charges for driver training
25 courses shall be credited to the driver training fund. The expenses of a
26 school district directly attributable to driver training shall be paid from the
27 driver training fund.

28 New Sec. 36. There is hereby established in every school district a
29 food service fund, which shall consist of all moneys deposited therein or
30 transferred thereto according to law. All moneys received by the school
31 district for food service and from charges for food service shall be credited
32 to the food service fund. The expenses of a school district attributable to
33 food service shall be paid from the food service fund.

34 New Sec. 37. There is hereby established in every school district a
35 contingency reserve fund, which shall consist of all moneys deposited
36 therein or transferred thereto according to law. The fund shall be
37 maintained for payment of expenses of a school district attributable to
38 financial contingencies as determined by the board.

39 New Sec. 38. (a) Except as otherwise provided in this section, any
40 revenues of a school district, not required by law to be deposited in or
41 credited to a specific fund, shall be deposited in or credited to any
42 categorical fund of the school district or to the capital outlay fund of the
43 school district.

1 (b) At the discretion of the board of education of a school district,
2 revenues earned from the investment of an activity fund of the school
3 district in accordance with the provisions of K.S.A. 12-1675, and
4 amendments thereto, may be deposited in or credited to such activity fund.

5 (c) (1) At the discretion of the board and subject to subsection (c)(2),
6 any revenues specified in subsections (a) and (b) may be deposited in or
7 credited to the general fund of the school district in any school year for
8 which the allotment system authorized under K.S.A. 75-3722, and
9 amendments thereto, has been inaugurated and applied to appropriations
10 made for state foundation aid, or in any school year for which any portion
11 of the appropriations made for state foundation aid are lapsed by an act of
12 the legislature.

13 (2) In no event may the amount of revenues deposited in or credited
14 to the general fund of the school district under authority of subsection (c)
15 (1) exceed an amount equal to the amount of the reduction in state
16 foundation aid paid to the school district determined by the state board to
17 be the result of application of the allotment system to the appropriations
18 made for state foundation aid or of the lapse of any portion thereof by an
19 act of the legislature.

20 (d) At the discretion of the board, revenues received by the school
21 district from the federal government as the school district's share of the
22 proceeds derived from sale by the federal government of its rights to oil,
23 gas and other minerals located beneath the surface of lands within the
24 school district's boundaries may be deposited in the bond and interest fund
25 of the school district and used for the purposes of such fund. If at any time
26 all indebtedness and obligations of such fund have been fully paid and
27 canceled, the revenues authorized by this subsection to be deposited in
28 such fund shall be disposed of as provided in subsection (a).

29 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and
30 amendments thereto, conflict with this section, this section shall control.

31 New Sec. 39. (a) Any lawful transfer of moneys from the general
32 fund of a school district to any other fund shall be an operating expense in
33 the year the transfer is made. The board of education of a school district
34 may transfer moneys from the general fund to any categorical fund of the
35 school district in any school year.

36 (b) The board may transfer moneys from the general fund to the
37 contingency reserve fund of the school district, subject to any limitations
38 imposed upon the amount authorized to be maintained in the contingency
39 reserve fund.

40 (c) The board may transfer moneys from the general fund to the:

41 (1) Capital outlay fund;

42 (2) special reserve fund;

43 (3) special liability expense fund; and

1 (4) textbook and student materials revolving fund.

2 (d) In each school year, the board may transfer to its general fund
3 from any fund to which transfers from the general fund are authorized an
4 amount not to exceed an amount equal to the amount transferred from the
5 general fund to any such fund in the same school year.

6 New Sec. 40. Expenditures of a school district for the following
7 purposes are not operating expenses:

8 (a) Payments to another school district in an adjustment of rights as
9 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of
10 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and
11 amendments thereto, if paid from any fund other than the general fund;

12 (b) payments to another school district under K.S.A. 72-7105a, and
13 amendments thereto;

14 (c) the maintenance of student activities that are reimbursed;

15 (d) expenditures from any lawfully authorized fund of a school
16 district other than its general fund;

17 (e) the provision of educational services for students residing at the
18 Flint Hills job corps center, students housed at a psychiatric residential
19 treatment facility or students confined in a juvenile detention facility for
20 which the school district is reimbursed by a grant of state moneys as
21 provided in K.S.A. 72-8187, and amendments thereto; and

22 (f) programs financed, in part or in whole, by federal funds that may
23 be expended although not included in the budget of the school district,
24 excluding funds received under the provisions of title I of public law 874,
25 but not including in such exclusion amounts received for assistance in
26 cases of major disaster and amounts received under the low-rent housing
27 program, to the extent of the federal funds to be provided.

28 New Sec. 41. If in any school year a school district expends an
29 amount for operating expenses that exceeds its general fund budget, the
30 state board shall determine the excess and deduct the same from amounts
31 of state foundation aid payable to the school district during the next
32 succeeding school year.

33 New Sec. 42. (a) In order to accomplish the mission for Kansas
34 education, the state board shall design and adopt a school district
35 accreditation system based upon improvement in performance that equals
36 or exceeds the educational goal set forth in K.S.A. 2016 Supp. 72-1127(c),
37 and amendments thereto, and is measurable. On or before January 15,
38 2018, and each January 15 thereafter, the state board shall prepare and
39 submit a report on the school district accreditation system to the governor
40 and the legislature.

41 (b) The state board shall establish curriculum standards that reflect
42 high academic standards for the core academic areas of mathematics,
43 science, reading, writing and social studies. The curriculum standards shall

1 be reviewed at least every seven years. Nothing in this subsection shall be
2 construed in any manner so as to impinge upon any school district's
3 authority to determine its own curriculum.

4 (c) The state board shall provide for statewide assessments in the core
5 academic areas of mathematics, science, reading, writing and social
6 studies. The board shall ensure compatibility between the statewide
7 assessments and the curriculum standards established pursuant to
8 subsection (b). Such assessments shall be administered at three grade
9 levels, as determined by the state board. The state board shall determine
10 performance levels on the statewide assessments, the achievement of
11 which represents high academic standards in the academic area at the
12 grade level to which the assessment applies. The state board should specify
13 high academic standards both for individual performance and school
14 performance on the assessments.

15 (d) Each school year, on such date as specified by the state board,
16 each school district shall submit the Kansas education system accreditation
17 report to the state board in such form and manner as prescribed by the state
18 board.

19 (e) Whenever the state board determines that a school district has
20 failed either to meet the accreditation requirements established by rules
21 and regulations or standards adopted by the state board or provide
22 curriculum based on state standards and courses required by state law, the
23 state board shall so notify the school district. Such notice shall specify the
24 accreditation requirements that the school district has failed to meet and
25 the curriculum that it has failed to provide. Upon receipt of such notice,
26 the board of education of such school district is encouraged to reallocate
27 the resources of the school district to remedy all deficiencies identified by
28 the state board.

29 (f) Each school in every school district shall establish a school site
30 council composed of the principal and representatives of teachers and
31 other school personnel, parents of students attending the school, the
32 business community and other community groups. School site councils
33 shall be responsible for providing advice and counsel in evaluating state,
34 school district, and school site performance goals and objectives and in
35 determining the methods that should be employed at the school site to
36 meet these goals and objectives. Site councils may make recommendations
37 and proposals to the school board regarding budgetary items and school
38 district matters, including, but not limited to, identifying and implementing
39 the best practices for developing efficient and effective administrative and
40 management functions. Site councils also may help school boards analyze
41 the unique environment of schools, enhance the efficiency and maximize
42 limited resources, including outsourcing arrangements and cooperative
43 opportunities as a means to address limited budgets.

1 New Sec. 43. (a) On or before January 15 of each year, the state
2 department of education shall prepare and submit reports on school district
3 funding for each school district to the governor and the legislature.

4 (b) Each report shall contain the information described in subsection
5 (c) for the school district in terms of actual dollar amounts for the
6 immediately preceding school year, actual dollar amounts for the current
7 school year and budgeted dollar amounts for the immediately succeeding
8 school year.

9 (c) Each report shall contain the following information for the school
10 district:

11 (1) Full-time equivalent enrollment;

12 (2) demographic information, including, but not limited to, gender,
13 race, ethnicity, students who are economically disadvantaged, migrants,
14 English language learners and students with disabilities;

15 (3) total general and supplemental general funds, including a showing
16 of funding provided by federal sources, state sources and local sources,
17 and total funds per student;

18 (4) total capital outlay funds, including a showing of such funding
19 provided by federal sources, state sources and local sources, and capital
20 outlay funds per student;

21 (5) total bond and interest funds, including a showing of such funding
22 provided by federal sources, state sources and local sources, and bond and
23 interest funds per student;

24 (6) total of all other funds not described in paragraphs (3), (4) and (5),
25 excluding fund transfers, including a showing of such funding provided by
26 federal sources, state sources and local sources, and total funds per
27 student;

28 (7) total funds per student of all funds described in paragraphs (3)
29 through (6);

30 (8) general fund moneys attributable to the following:

31 (A) BASE aid;

32 (B) high enrollment weighting;

33 (C) low enrollment weighting;

34 (D) school facilities weighting;

35 (E) transportation weighting;

36 (F) at-risk student weighting;

37 (G) preschool-aged at-risk student weighting;

38 (H) high-density at-risk student weighting;

39 (I) career technical education weighting;

40 (J) special education and related services weighting;

41 (K) bilingual weighting;

42 (L) ancillary school facilities weighting;

43 (M) cost-of-living weighting;

- 1 (N) declining enrollment weighting; and
- 2 (O) virtual school state aid;
- 3 (9) total expenditures on the following:
- 4 (A) At-risk education programs and services;
- 5 (B) preschool-aged at-risk education programs and services;
- 6 (C) bilingual education programs and services;
- 7 (D) career and technical education programs and services;
- 8 (E) special education and related services; and
- 9 (F) virtual school programs and services; and
- 10 (10) total expenditures from the special retirement contributions fund.
- 11 (d) The state board shall provide uniform guidelines for what
- 12 constitutes total expenditures for the programs and services listed under
- 13 subsection (c)(9).

14 New Sec. 44. (a) On or before July 1, 2020, the legislature shall:

15 (1) (A) Review the school year 2019-2020 BASE aid amount and

16 shall evaluate whether such BASE aid amount is reasonably calculated to

17 have all students meet or exceed the educational goal set forth in K.S.A.

18 2016 Supp. 72-1127(c), and amendments thereto.

19 (B) Such evaluation shall be based on a successful school model that

20 identifies successful school districts based on the percentage of at-risk

21 students in such districts in relation to the following outcomes:

22 (i) The percentage of students at grade level on state math and

23 English language arts assessments;

24 (ii) the percentage of students that are college and career ready on

25 state math and English language arts assessments;

26 (iii) the average composite ACT score; and

27 (iv) the four-year graduation rate.

28 (C) Such evaluation shall identify school districts that exceeded

29 expected outcomes and shall also identify school districts that have an

30 average scaled difference on the outcome measures greater than or equal to

31 one standard deviation from the average scaled difference of all districts.

32 Those school districts that are identified as successful school districts in

33 relation to other similarly situated districts may be used to evaluate

34 whether the BASE aid amount is reasonably calculated to ensure that

35 students will continue to meet or exceed the educational goal set forth in

36 K.S.A. 2016 Supp. 72-1127(c), and amendments thereto.

37 (2) Consider the information reviewed pursuant to subsection (b) and

38 determine if any provisions of this act are not reasonably calculated to

39 provide adequate educational opportunities to every K-12 public education

40 student in Kansas.

41 (b) (1) The house and senate standing committees on education shall

42 review the following weightings to ensure such weightings are reasonably

43 calculated to have students meet or exceed the educational goal set forth in

1 K.S.A. 2016 Supp. 72-1127(c), and amendments thereto:

2 (A) The low enrollment weighting and the high enrollment weighting,
3 as such terms are defined in section 4, and amendments thereto, and
4 alternatives to such weightings, including, but not limited to, a sparsity
5 weighting on or before July 1, 2018;

6 (B) the at-risk student weighting, as such term is defined in section 4,
7 and amendments thereto, on or before July 1, 2021; and

8 (C) the bilingual student weighting, as such term is defined in section
9 4, and amendments thereto, on or before July 1, 2024.

10 (2) During the 2018 or 2019 regular legislative session, the house and
11 senate standing committees on education shall review the following:

12 (A) Reports submitted to the legislature pursuant to sections 42, 43
13 and 48, and amendments thereto;

14 (B) final legislative post audit reports conducted pursuant to section
15 45(a) and (e), and amendments thereto; and

16 (C) successful schools as determined by the successful school model
17 described in subsection (a)(1)(B) and other data relevant to determining
18 what constitutes a successful school.

19 New Sec. 45. The legislative post audit committee shall direct the
20 legislative division of post audit to conduct the following performance
21 audits in the fiscal year specified:

22 (a) A study of statewide virtual school programs administered in
23 other states. The study shall include, but not be limited to, the following:

24 (1) The aggregate cost incurred by each state administering a virtual
25 school program, and the cost incurred by individual school districts or
26 schools within each state;

27 (2) the resources necessary for the implementation of each virtual
28 school program, including, but not limited to, personnel, equipment,
29 software and facility usage;

30 (3) the scope of each virtual school program; and

31 (4) the effectiveness of each virtual school program with respect to
32 student performance and outcomes.

33 The audit shall be conducted during fiscal year 2018, and the final audit
34 report shall be submitted to the legislature on or before January 15, 2018.

35 (b) A performance audit of at-risk education funding. The audit
36 should evaluate the method of counting students for at-risk education
37 funding, the level of the at-risk student weighting and high-density at-risk
38 student weighting under the act and how school districts are expending
39 moneys provided for at-risk education. This performance audit shall be
40 conducted during fiscal year 2020, and the final audit report shall be
41 submitted to the legislature on or before January 15, 2020.

42 (c) A performance audit of bilingual education funding. The audit
43 should evaluate the method of counting students for bilingual education

1 funding, the level of the bilingual weighting under the act and how school
2 districts are expending moneys provided for bilingual education. This
3 performance audit shall be conducted during fiscal year 2023, and the final
4 audit report shall be submitted to the legislature on or before January 15,
5 2023.

6 (d) A performance audit of transportation services funding. The audit
7 should include a comparison of the amount of transportation services
8 funding school districts receive to the cost of providing transportation
9 services. This performance audit shall be conducted during fiscal year
10 2024, and the final audit report shall be submitted to the legislature on or
11 before January 15, 2024.

12 (e) (1) A performance audit to provide a reasonable estimate of the
13 cost of providing educational opportunities for every public school student
14 in Kansas to achieve the performance outcome standards adopted by the
15 state board of education. This performance audit shall be conducted three
16 times as follows:

17 (A) During fiscal year 2019, and the final report submitted to the
18 legislature on or before January 15, 2019;

19 (B) during fiscal year 2022, and the final report submitted to the
20 legislature on or before January 15, 2022; and

21 (C) during fiscal year 2025, and the final report submitted to the
22 legislature on or before January 15, 2025.

23 (2) Each performance audit required under this subsection shall:

24 (A) Include reasonable estimates of the costs of providing specialized
25 education services as required by law, including, but not limited to, special
26 education and related services, bilingual education and at-risk programs;
27 and

28 (B) account for other factors which may contribute to variations in
29 costs incurred by school districts, including, but not limited to, total
30 district enrollment and geographic location within the state.

31 (3) In conducting each performance audit required under this
32 subsection:

33 (A) Any examination of historical data and expenditures shall correct
34 any recognized inadequacy of such data or expenditure through a
35 statistically valid method of extrapolation; and

36 (B) subject to the limitations of the division of legislative post audit
37 budget and appropriations therefor, the legislative post auditor may enter
38 into contracts with consultants as the post auditor deems necessary.

39 (f) A performance audit to identify best practices in successful
40 schools. The audit should include a comparison of the educational methods
41 and other practices of demographically similar school districts that achieve
42 significantly different student outcomes based on performance outcome
43 standards adopted by the state board of education. This performance audit

1 shall be conducted during fiscal year 2021, and the final audit report shall
2 be submitted to the legislature on or before January 15, 2021. The audit
3 shall be conducted a second time during fiscal year 2026, and the final
4 audit report shall be submitted to the legislature on or before January 15,
5 2026.

6 (g) The final audit report for each audit conducted pursuant to this
7 section shall be provided to the house and senate standing committees on
8 education during the regular legislative session in which such report is
9 submitted to the legislature.

10 New Sec. 46. The state board may adopt rules and regulations for the
11 administration of this act, including the classification of expenditures of
12 school districts to ensure uniform reporting of operating expenses.

13 New Sec. 47. The provisions of the Kansas school equity and
14 enhancement act, section 3 et seq., and amendments thereto, shall not be
15 severable. If any provision of the Kansas school equity and enhancement
16 act, section 3 et seq., and amendments thereto, is held to be invalid or
17 unconstitutional by court order, all provisions of the Kansas school equity
18 and enhancement act, section 3 et seq., and amendments thereto, shall be
19 null and void.

20 New Sec. 48. (a) The state department of education shall conduct a
21 study of the cost of career technical education programs offered by school
22 districts, including, but not limited to, the following:

23 (1) The career technical education programs offered by school
24 districts;

25 (2) the costs associated with offering such programs, including
26 salaries and wages, materials, equipment and facilities; and

27 (3) the coordination between school districts, community colleges
28 and technical colleges in offering such programs.

29 (b) On or before January 15, 2018, the state department of education
30 shall prepare a report on its findings and shall make recommendations on
31 amendments to the Kansas school equity and enhancement act, section 3 et
32 seq., and amendments thereto, for the financing of career technical
33 education programs using a tiered technical education model or other
34 funding model. The report shall be submitted to the governor and the
35 legislature.

36 (c) The provisions of this section shall expire on July 1, 2018.

37 New Sec. 49. (a) There is hereby established in the state treasury the
38 school district capital outlay state aid fund. Such fund shall consist of all
39 moneys transferred thereto under the provisions of subsection (d).

40 (b) Each school district that levies a tax pursuant to K.S.A. 72-8801
41 et seq., and amendments thereto, shall receive payment from the school
42 district capital outlay state aid fund in an amount determined by the state
43 board of education as provided in this section.

1 (c) The state board shall:

2 (1) Determine the amount of the assessed valuation per student of
3 each school district in the state for the preceding school year and round
4 such amount to the nearest \$1,000. The rounded amount is the assessed
5 valuation per student of a school district for the purposes of this
6 subsection;

7 (2) determine the median assessed valuation per student of all school
8 districts;

9 (3) prepare a schedule of dollar amounts using the amount of the
10 median assessed valuation per student of all school districts as the point of
11 beginning. The schedule of dollar amounts shall range upward in equal
12 \$1,000 intervals from the point of beginning to and including an amount
13 that is equal to the amount of the assessed valuation per student of the
14 school district with the highest assessed valuation per student of all school
15 districts and shall range downward in equal \$1,000 intervals from the point
16 of beginning to and including an amount that is equal to the amount of the
17 assessed valuation per student of the school district with the lowest
18 assessed valuation per student of all school districts;

19 (4) determine a state aid percentage factor for each school district by
20 assigning a state aid computation percentage to the amount of the median
21 assessed valuation per student shown on the schedule, decreasing the state
22 aid computation percentage assigned to the amount of the median assessed
23 valuation per student by one percentage point for each \$1,000 interval
24 above the amount of the median assessed valuation per student, and
25 increasing the state aid computation percentage assigned to the amount of
26 the median assessed valuation per student by one percentage point for each
27 \$1,000 interval below the amount of the median assessed valuation per
28 student. The state aid percentage factor of a school district is the
29 percentage assigned to the schedule amount that is equal to the amount of
30 the assessed valuation per student of the school district, except that the
31 state aid percentage factor of a school district shall not exceed 100%. The
32 state aid computation percentage is 25%;

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

35 (6) multiply the amount computed under subsection (c)(5), but not to
36 exceed eight mills, by the applicable state aid percentage factor. The
37 resulting product is the amount of payment the school district is to receive
38 from the school district capital outlay state aid fund in the school year.

39 (d) The state board shall certify to the director of accounts and reports
40 the amount of school district capital outlay state aid determined under the
41 provisions of subsection (c), and an amount equal thereto shall be
42 transferred by the director from the state general fund to the school district
43 capital outlay state aid fund for distribution to school districts. All transfers

1 made in accordance with the provisions of this subsection shall be
2 considered to be demand transfers from the state general fund.

3 (e) Payments from the school district capital outlay state aid fund
4 shall be distributed to school districts at times determined by the state
5 board of education. The state board of education shall certify to the
6 director of accounts and reports the amount due each school district, and
7 the director of accounts and reports shall draw a warrant on the state
8 treasury payable to the treasurer of the school district. Upon receipt of the
9 warrant, the treasurer of the school district shall credit the amount thereof
10 to the capital outlay fund of the school district to be used for the purposes
11 of such fund.

12 New Sec. 50. No ad valorem tax exemption for real or personal
13 property granted after the effective date of this act by the board of tax
14 appeals pursuant to the provisions of either: (a) Section 13 of article 11 of
15 the constitution of the state of Kansas; or (b) K.S.A. 12-1740 et seq. and
16 79-201a *Second* or *Twenty-Fourth*, and amendments thereto, for any
17 property purchased with the proceeds of revenue bonds shall be deemed to
18 exempt any such property from the ad valorem property tax levied by a
19 school district pursuant to the provisions of section 14 or K.S.A. 72-8801,
20 and amendments thereto. The provisions of this section shall not apply to
21 exemptions granted by the board of tax appeals when the associated
22 resolution of intent to issue revenue bonds and grant property tax
23 abatement was approved by any governing body of any city or the board of
24 commissioners of any county or the public hearing required by K.S.A. 79-
25 251, and amendments thereto, was conducted prior to May 1, 2017.

26 Sec. 51. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as
27 follows: 10-1116a. The limitations on expenditures imposed under the
28 cash-basis law shall not apply to:

29 (a) Expenditures in excess of current revenues made for municipally
30 owned and operated utilities out of the fund of such utilities caused by, or
31 resulting from the meeting of, extraordinary emergencies including
32 drought emergencies. In such cases expenditures in excess of current
33 revenues may be made by declaring an extraordinary emergency by
34 resolution adopted by the governing body and such resolution shall be
35 published at least once in a newspaper of general circulation in such city.
36 Thereupon, such governing body may issue interest bearing no-fund
37 warrants on such utility fund in an amount, including outstanding
38 previously issued no-fund warrants, not to exceed 25% of the revenues
39 from sales of service of such utility for the preceding year. Such warrants
40 shall be redeemed within three years from date of issuance and shall bear
41 interest at a rate of not to exceed the maximum rate of interest prescribed
42 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a
43 drought emergency, the governing body may issue such warrants for water

1 system improvement purposes in an amount not to exceed 50% of the
2 revenue received from the sale of water for the preceding year. Such
3 warrants shall be redeemed within five years from the date of issuance and
4 shall bear interest at a rate not to exceed the maximum rate of interest
5 prescribed by K.S.A. 10-1009, and amendments thereto.

6 (b) Expenditures in any month by school districts which are in excess
7 of current revenues if the deficit or shortage in revenues is caused by, or a
8 result of, the payment of state aid after the date prescribed for the payment
9 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466~~ section
10 7, and amendments thereto.

11 Sec. 52. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as
12 follows: 12-1677. (a) Except as otherwise required by state or federal law,
13 all moneys earned and collected from investments by counties, area
14 vocational-technical schools and quasi-municipal corporations authorized
15 in this act shall be credited to the general fund of such county, area
16 vocational-technical school or quasi-municipal corporation by the treasurer
17 thereof, and all moneys earned and collected from investments by school
18 districts authorized in this act shall be credited ~~to the general fund of the~~
19 ~~school district~~ *in accordance with the provisions of section 38, and*
20 *amendments thereto.*

21 (b) The treasurer of each county, school district, area vocational-
22 technical school or quasi-municipal corporation shall maintain a complete
23 record of all investments authorized in this act and shall make a quarterly
24 written report of such record to the governing body of such county, school
25 district, area vocational-technical school or quasi-municipal corporation.

26 Sec. 53. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as
27 follows: 12-1770a. As used in this act, the following words and phrases
28 shall have the following meanings unless a different meaning clearly
29 appears from the content:

30 (a) "Auto race track facility" means: (1) An auto race track facility
31 and facilities directly related and necessary to the operation of an auto race
32 track facility, including, but not limited to, grandstands, suites and viewing
33 areas, concessions, souvenir facilities, catering facilities, visitor and retail
34 centers, signage and temporary hospitality facilities, but excluding (2)
35 hotels, motels, restaurants and retail facilities, not directly related to or
36 necessary to the operation of such facility.

37 (b) "Base year assessed valuation" means the assessed valuation of all
38 real property within the boundaries of a redevelopment district on the date
39 the redevelopment district was established.

40 (c) "Blighted area" means an area which:

41 (1) Because of the presence of a majority of the following factors,
42 substantially impairs or arrests the development and growth of the
43 municipality or constitutes an economic or social liability or is a menace to

- 1 the public health, safety, morals or welfare in its present condition and use:
- 2 (A) A substantial number of deteriorated or deteriorating structures;
- 3 (B) predominance of defective or inadequate street layout;
- 4 (C) unsanitary or unsafe conditions;
- 5 (D) deterioration of site improvements;
- 6 (E) tax or special assessment delinquency exceeding the fair market
- 7 value of the real property;
- 8 (F) defective or unusual conditions of title including, but not limited
- 9 to, cloudy or defective titles, multiple or unknown ownership interests to
- 10 the property;
- 11 (G) improper subdivision or obsolete platting or land uses;
- 12 (H) the existence of conditions which endanger life or property by
- 13 fire or other causes; or
- 14 (I) conditions which create economic obsolescence;
- 15 (2) has been identified by any state or federal environmental agency
- 16 as being environmentally contaminated to an extent that requires a
- 17 remedial investigation; feasibility study and remediation or other similar
- 18 state or federal action;
- 19 (3) a majority of the property is a 100-year floodplain area; or
- 20 (4) previously was found by resolution of the governing body to be a
- 21 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments
- 22 thereto.
- 23 (d) "Conservation area" means any improved area comprising 15% or
- 24 less of the land area within the corporate limits of a city in which 50% or
- 25 more of the structures in the area have an age of 35 years or more, which
- 26 area is not yet blighted, but may become a blighted area due to the
- 27 existence of a combination of two or more of the following factors:
- 28 (1) Dilapidation, obsolescence or deterioration of the structures;
- 29 (2) illegal use of individual structures;
- 30 (3) the presence of structures below minimum code standards;
- 31 (4) building abandonment;
- 32 (5) excessive vacancies;
- 33 (6) overcrowding of structures and community facilities; or
- 34 (7) inadequate utilities and infrastructure.
- 35 (e) "De minimus" means an amount less than 15% of the land area
- 36 within a redevelopment district.
- 37 (f) "Developer" means any person, firm, corporation, partnership or
- 38 limited liability company, other than a city and other than an agency,
- 39 political subdivision or instrumentality of the state or a county when
- 40 relating to a bioscience development district.
- 41 (g) "Eligible area" means a blighted area, conservation area,
- 42 enterprise zone, intermodal transportation area, major tourism area or a
- 43 major commercial entertainment and tourism area, bioscience

1 development area or a building or buildings which are 65 years of age or
2 older and any contiguous vacant or condemned lots.

3 (h) "Enterprise zone" means an area within a city that was designated
4 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107
5 through 12-17,113, and amendments thereto, prior to its repeal and the
6 conservation, development or redevelopment of the area is necessary to
7 promote the general and economic welfare of such city.

8 (i) "Environmental increment" means the increment determined
9 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

10 (j) "Environmentally contaminated area" means an area of land
11 having contaminated groundwater or soil which is deemed
12 environmentally contaminated by the department of health and
13 environment or the United States environmental protection agency.

14 (k) (1) "Feasibility study" means:

15 (A) A study which shows whether a redevelopment project's or
16 bioscience development project's benefits and tax increment revenue and
17 other available revenues under K.S.A. 12-1774(a)(1), and amendments
18 thereto, are expected to exceed or be sufficient to pay for the
19 redevelopment or bioscience development project costs; and

20 (B) the effect, if any, the redevelopment project costs or bioscience
21 development project will have on any outstanding special obligation bonds
22 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and
23 amendments thereto.

24 (2) For a redevelopment project or bioscience project financed by
25 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and
26 amendments thereto, the feasibility study must also include:

27 (A) A statement of how the taxes obtained from the project will
28 contribute significantly to the economic development of the jurisdiction in
29 which the project is located;

30 (B) a statement concerning whether a portion of the local sales and
31 use taxes are pledged to other uses and are unavailable as revenue for the
32 redevelopment project. If a portion of local sales and use taxes is so
33 committed, the applicant shall describe the following:

34 (i) The percentage of sales and use taxes collected that are so
35 committed; and

36 (ii) the date or dates on which the local sales and use taxes pledged to
37 other uses can be pledged for repayment of special obligation bonds;

38 (C) an anticipated principal and interest payment schedule on the
39 bonds;

40 (D) following approval of the redevelopment plan, the feasibility
41 study shall be supplemented to include a copy of the minutes of the
42 governing body meeting or meetings of any city whose bonding authority
43 will be utilized in the project, evidencing that a redevelopment plan has

1 been created, discussed, and adopted by the city in a regularly scheduled
2 open public meeting; and

3 (E) the failure to include all information enumerated in this
4 subsection in the feasibility study for a redevelopment or bioscience
5 project shall not affect the validity of bonds issued pursuant to this act.

6 (l) "Major tourism area" means an area for which the secretary has
7 made a finding the capital improvements costing not less than
8 \$100,000,000 will be built in the state to construct an auto race track
9 facility.

10 (m) "Real property taxes" means all taxes levied on an ad valorem
11 basis upon land and improvements thereon, except that ~~when relating to a~~
12 ~~bioscience development district, as defined in this section,~~ "real property
13 taxes" does not include: (1) Property taxes levied ~~for schools, by school~~
14 ~~districts pursuant to K.S.A. 2016 Supp. 72-6470 section 14,~~ and
15 amendments thereto, *when:*

16 (A) *Relating to a bioscience development district; and*

17 (B) *relating to a redevelopment district established after June 30,*
18 *1997; and*

19 (2) *property taxes levied by school districts pursuant to K.S.A. 72-*
20 *8801, and amendments thereto, when relating to a bioscience development*
21 *district or a redevelopment district established on or after July 1, 2017.*

22 (n) "Redevelopment project area" means an area designated by a city
23 within a redevelopment district or, if the redevelopment district is
24 established for an intermodal transportation area, an area designated by a
25 city within or outside of the redevelopment district.

26 (o) "Redevelopment project costs" means: (1) Those costs necessary
27 to implement a redevelopment project plan or a bioscience development
28 project plan, including costs incurred for:

29 (A) Acquisition of property within the redevelopment project area;

30 (B) payment of relocation assistance pursuant to a relocation
31 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;

32 (C) site preparation including utility relocations;

33 (D) sanitary and storm sewers and lift stations;

34 (E) drainage conduits, channels, levees and river walk canal facilities;

35 (F) street grading, paving, graveling, macadamizing, curbing,
36 guttering and surfacing;

37 (G) street light fixtures, connection and facilities;

38 (H) underground gas, water, heating and electrical services and
39 connections located within the public right-of-way;

40 (I) sidewalks and pedestrian underpasses or overpasses;

41 (J) drives and driveway approaches located within the public right-of-
42 way;

43 (K) water mains and extensions;

1 (L) plazas and arcades;

2 (M) major multi-sport athletic complex;

3 (N) museum facility;

4 (O) parking facilities including multilevel parking facilities;

5 (P) landscaping and plantings, fountains, shelters, benches,
6 sculptures, lighting, decorations and similar amenities;

7 (Q) related expenses to redevelop and finance the redevelopment
8 project;

9 (R) for purposes of an incubator project, such costs shall also include
10 wet lab equipment including hoods, lab tables, heavy water equipment and
11 all such other equipment found to be necessary or appropriate for a
12 commercial incubator wet lab facility by the city in its resolution
13 establishing such redevelopment district or a bioscience development
14 district;

15 (S) costs for the acquisition of land for and the construction and
16 installation of publicly-owned infrastructure improvements which serve an
17 intermodal transportation area and are located outside of a redevelopment
18 district; and

19 (T) costs for infrastructure located outside the redevelopment district
20 but contiguous to any portion of the redevelopment district and such
21 infrastructure is necessary for the implementation of the redevelopment
22 plan as determined by the city.

23 (2) Redevelopment project costs shall not include: (A) Costs incurred
24 in connection with the construction of buildings or other structures to be
25 owned by or leased to a developer, however, the "redevelopment project
26 costs" shall include costs incurred in connection with the construction of
27 buildings or other structures to be owned or leased to a developer which
28 includes an auto race track facility or a multilevel parking facility.

29 (B) In addition, for a redevelopment project financed with special
30 obligation bonds payable from the revenues described in K.S.A. 12-
31 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall
32 not include:

33 (i) Fees and commissions paid to developers, real estate agents,
34 financial advisors or any other consultants who represent the developers or
35 any other businesses considering locating in or located in a redevelopment
36 district;

37 (ii) salaries for local government employees;

38 (iii) moving expenses for employees of the businesses locating within
39 the redevelopment district;

40 (iv) property taxes for businesses that locate in the redevelopment
41 district;

42 (v) lobbying costs;

43 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-

1 1742, and amendments thereto;

2 (vii) any personal property, as defined in K.S.A. 79-102, and
3 amendments thereto; and

4 (viii) travel, entertainment and hospitality.

5 (p) "Redevelopment district" means the specific area declared to be
6 an eligible area in which the city may develop one or more redevelopment
7 projects.

8 (q) "Redevelopment district plan" or "district plan" means the
9 preliminary plan that identifies all of the proposed redevelopment project
10 areas and identifies in a general manner all of the buildings, facilities and
11 improvements in each that are proposed to be constructed or improved in
12 each redevelopment project area or, if the redevelopment district is
13 established for an intermodal transportation area, in or outside of the
14 redevelopment district.

15 (r) "Redevelopment project" means the approved project to
16 implement a project plan for the development of the established
17 redevelopment district.

18 (s) "Redevelopment project plan" means the plan adopted by a
19 municipality for the development of a redevelopment project or projects
20 which conforms with K.S.A. 12-1772, and amendments thereto, in a
21 redevelopment district.

22 (t) "Substantial change" means, as applicable, a change wherein the
23 proposed plan or plans differ substantially from the intended purpose for
24 which the district plan or project plan was approved.

25 (u) "Tax increment" means that amount of real property taxes
26 collected from real property located within the redevelopment district that
27 is in excess of the amount of real property taxes which is collected from
28 the base year assessed valuation.

29 (v) "Taxing subdivision" means the county, city, unified school
30 district and any other taxing subdivision levying real property taxes, the
31 territory or jurisdiction of which includes any currently existing or
32 subsequently created redevelopment district including a bioscience
33 development district.

34 (w) "River walk canal facilities" means a canal and related water
35 features which flows through a redevelopment district and facilities related
36 or contiguous thereto, including, but not limited to pedestrian walkways
37 and promenades, landscaping and parking facilities.

38 (x) "Major commercial entertainment and tourism area" may include,
39 but not be limited to, a major multi-sport athletic complex.

40 (y) "Major multi-sport athletic complex" means an athletic complex
41 that is utilized for the training of athletes, the practice of athletic teams, the
42 playing of athletic games or the hosting of events. Such project may
43 include playing fields, parking lots and other developments including

1 grandstands, suites and viewing areas, concessions, souvenir facilities,
2 catering facilities, visitor centers, signage and temporary hospitality
3 facilities, but excluding hotels, motels, restaurants and retail facilities, not
4 directly related to or necessary to the operation of such facility.

5 (z) "Bioscience" means the use of compositions, methods and
6 organisms in cellular and molecular research, development and
7 manufacturing processes for such diverse areas as pharmaceuticals,
8 medical therapeutics, medical diagnostics, medical devices, medical
9 instruments, biochemistry, microbiology, veterinary medicine, plant
10 biology, agriculture, industrial environmental and homeland security
11 applications of bioscience and future developments in the biosciences.
12 Bioscience includes biotechnology and life sciences.

13 (aa) "Bioscience development area" means an area that:

14 (1) Is or shall be owned, operated, or leased by, or otherwise under
15 the control of the Kansas bioscience authority;

16 (2) is or shall be used and maintained by a bioscience company; or

17 (3) includes a bioscience facility.

18 (bb) "Bioscience development district" means the specific area,
19 created under K.S.A. 12-1771, and amendments thereto, where one or
20 more bioscience development projects may be undertaken.

21 (cc) "Bioscience development project" means an approved project to
22 implement a project plan in a bioscience development district.

23 (dd) "Bioscience development project plan" means the plan adopted
24 by the authority for a bioscience development project pursuant to K.S.A.
25 12-1772, and amendments thereto, in a bioscience development district.

26 (ee) "Bioscience facility" means real property and all improvements
27 thereof used to conduct bioscience research, including, without limitation,
28 laboratory space, incubator space, office space and any and all facilities
29 directly related and necessary to the operation of a bioscience facility.

30 (ff) "Bioscience project area" means an area designated by the
31 authority within a bioscience development district.

32 (gg) "Biotechnology" means those fields focusing on technological
33 developments in such areas as molecular biology, genetic engineering,
34 genomics, proteomics, physiomics, nanotechnology, biodefense,
35 biocomputing, bioinformatics and future developments associated with
36 biotechnology.

37 (hh) "Board" means the board of directors of the Kansas bioscience
38 authority.

39 (ii) "Life sciences" means the areas of medical sciences,
40 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,
41 ecology, toxicology, organic chemistry, physical chemistry, physiology and
42 any future advances associated with life sciences.

43 (jj) "Revenue increase" means that amount of real property taxes

1 collected from real property located within the bioscience development
2 district that is in excess of the amount of real property taxes which is
3 collected from the base year assessed valuation.

4 (kk) "Taxpayer" means a person, corporation, limited liability
5 company, S corporation, partnership, registered limited liability
6 partnership, foundation, association, nonprofit entity, sole proprietorship,
7 business trust, group or other entity that is subject to the Kansas income
8 tax act, K.S.A. 79-3201 et seq., and amendments thereto.

9 (ll) "Floodplain increment" means the increment determined pursuant
10 to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.

11 (mm) "100-year floodplain area" means an area of land existing in a
12 100-year floodplain as determined by either an engineering study of a
13 Kansas certified engineer or by the United States federal emergency
14 management agency.

15 (nn) "Major motorsports complex" means a complex in Shawnee
16 county that is utilized for the hosting of competitions involving motor
17 vehicles, including, but not limited to, automobiles, motorcycles or other
18 self-propelled vehicles other than a motorized bicycle or motorized
19 wheelchair. Such project may include racetracks, all facilities directly
20 related and necessary to the operation of a motorsports complex,
21 including, but not limited to, parking lots, grandstands, suites and viewing
22 areas, concessions, souvenir facilities, catering facilities, visitor and retail
23 centers, signage and temporary hospitality facilities, but excluding hotels,
24 motels, restaurants and retail facilities not directly related to or necessary
25 to the operation of such facility.

26 (oo) "Intermodal transportation area" means an area of not less than
27 800 acres to be developed primarily to handle the transfer, storage and
28 distribution of freight through railway and trucking operations.

29 (pp) "Museum facility" means a separate newly-constructed museum
30 building and facilities directly related and necessary to the operation
31 thereof, including gift shops and restaurant facilities, but excluding hotels,
32 motels, restaurants and retail facilities not directly related to or necessary
33 to the operation of such facility. The museum facility shall be owned by
34 the state, a city, county, other political subdivision of the state or a non-
35 profit corporation, shall be managed by the state, a city, county, other
36 political subdivision of the state or a non-profit corporation and may not
37 be leased to any developer and shall not be located within any retail or
38 commercial building.

39 Sec. 54. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as
40 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of
41 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has
42 established a redevelopment district prior to July 1, 1996, shall certify to
43 the director of accounts and reports the amount equal to the amount of

1 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~
2 ~~Supp. 72-6470~~ *section 14*, and amendments thereto, within such
3 redevelopment district. Prior to February 1, 1997, and annually on that
4 date thereafter, the governing body of each such city shall certify to the
5 director of accounts and reports an amount equal to the amount by which
6 revenues realized from such ad valorem taxes imposed in such
7 redevelopment district are estimated to be reduced for the ensuing calendar
8 year due to legislative changes in the statewide school finance formula.
9 Prior to March 1 of each year, the director of accounts and reports shall
10 certify to the state treasurer each amount certified by the governing bodies
11 of cities under this section for the ensuing calendar year and shall transfer
12 from the state general fund to the city tax increment financing revenue
13 fund the aggregate of all amounts so certified. Prior to April 15 of each
14 year, the state treasurer shall pay from the city tax increment financing
15 revenue fund to each city certifying an amount to the director of accounts
16 and reports under this section for the ensuing calendar year the amount so
17 certified.

18 (b) There is hereby created the tax increment financing revenue
19 replacement fund which shall be administered by the state treasurer. All
20 expenditures from the tax increment financing revenue replacement fund
21 shall be made in accordance with appropriations acts upon warrants of the
22 director of accounts and reports issued pursuant to vouchers approved by
23 the state treasurer or a person or persons designated by the state treasurer.

24 Sec. 55. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
25 follows: 12-1776a. (a) As used in this section:

26 (1) "School district" means any school district in which is located a
27 redevelopment district for which bonds have been issued pursuant to
28 K.S.A. 12-1770 et seq., and amendments thereto.

29 (2) "Base year assessed valuation," "redevelopment district" and
30 "redevelopment project" shall have the meanings ascribed thereto by
31 K.S.A. 12-1770a, and amendments thereto.

32 (b) No later than November 1 of each year, the county clerk of each
33 county shall certify to the state board of education the assessed valuation
34 of any school district located within a redevelopment district in such
35 county. For the purposes of this section and for determining the amount of
36 state aid for school districts under *section 17 and* K.S.A. 75-2319, and
37 amendments thereto, the base year assessed valuation of property within
38 the boundaries of a redevelopment district shall be used when determining
39 the assessed valuation of a school district until the bonds issued pursuant
40 to K.S.A. 12-1770 et seq., and amendments thereto, to finance
41 redevelopment projects in the redevelopment district have been retired.

42 Sec. 56. K.S.A. 12-17,115 is hereby amended to read as follows: 12-
43 17,115. As used in this act:

1 (a) "Dilapidated structure" means a residence or other building which
2 is in deteriorating condition by reason of obsolescence, inadequate
3 provision of ventilation, light, air or structural integrity or is otherwise in a
4 condition detrimental to the health, safety or welfare of its inhabitants or a
5 residence or other building which is in deteriorating condition and because
6 of age, architecture, history or significance is worthy of preservation.

7 (b) "Municipality" means any municipality as defined by K.S.A. 10-
8 1101, and amendments thereto.

9 (c) "Neighborhood revitalization area" means:

10 (1) An area in which there is a predominance of buildings or
11 improvements which by reason of dilapidation, deterioration,
12 obsolescence, inadequate provision for ventilation, light, air, sanitation, or
13 open spaces, high density of population and overcrowding, the existence
14 of conditions which endanger life or property by fire and other causes or a
15 combination of such factors, is conducive to ill health, transmission of
16 disease, infant mortality, juvenile delinquency or crime and which is
17 detrimental to the public health, safety or welfare;

18 (2) an area which by reason of the presence of a substantial number
19 of deteriorated or deteriorating structures, defective or inadequate streets,
20 incompatible land use relationships, faulty lot layout in relation to size,
21 adequacy, accessibility or usefulness, unsanitary or unsafe conditions,
22 deterioration of site or other improvements, diversity of ownership, tax or
23 special assessment delinquency exceeding the actual value of the land,
24 defective or unusual conditions of title, or the existence of conditions
25 which endanger life or property by fire and other causes, or a combination
26 of such factors, substantially impairs or arrests the sound growth of a
27 municipality, retards the provision of housing accommodations or
28 constitutes an economic or social liability and is detrimental to the public
29 health, safety or welfare in its present condition and use; or

30 (3) an area in which there is a predominance of buildings or
31 improvements which by reason of age, history, architecture or significance
32 should be preserved or restored to productive use.

33 (d) "Governing body" means the governing body of any municipality.

34 (e) "Increment" means, *except for any taxes levied by school districts*
35 *pursuant to section 13 or K.S.A. 72-8801, and amendments thereto*, that
36 amount of ad valorem taxes collected from real property located within the
37 neighborhood revitalization area or from dilapidated structures outside the
38 revitalization area that is in excess of the amount which is produced from
39 such property and attributable to the assessed valuation of such property
40 prior to the date the neighborhood revitalization area was established or
41 the structure was declared dilapidated pursuant to this act.

42 Sec. 57. K.S.A. 2016 Supp. 72-978 is hereby amended to read as
43 follows: 72-978. (a) Each year, the state board of education shall determine

1 the amount of state aid for the provision of special education and related
2 services each school district shall receive for the ensuing school year. The
3 amount of such state aid shall be computed by the state board as provided
4 in this section. The state board shall:

5 (1) Determine the total amount of general fund and local option
6 budgets of all school districts;

7 (2) subtract from the amount determined in subsection (a)(1) the total
8 amount attributable to assignment of transportation weighting, ~~program~~
9 ~~weighting~~ *bilingual weighting, career technical education weighting,*
10 *special education weighting and at-risk-pupil student weighting, as those*
11 ~~weightings were calculated under the school district finance and quality~~
12 ~~performance act, prior to its repeal,~~ *to the enrollment of all school districts;*

13 (3) divide the remainder obtained in subsection (a)(2) by the total
14 number of full-time equivalent pupils enrolled in all school districts on
15 September 20;

16 (4) determine the total full-time equivalent enrollment of exceptional
17 children receiving special education and related services provided by all
18 school districts;

19 (5) multiply the amount of the quotient obtained in subsection (a)(3)
20 by the full-time equivalent enrollment determined in subsection (a)(4);

21 (6) determine the amount of federal funds received by all school
22 districts for the provision of special education and related services;

23 (7) determine the amount of revenue received by all school districts
24 rendered under contracts with the state institutions for the provisions of
25 special education and related services by the state institution;

26 (8) add the amounts determined under subsections (a)(6) and (a)(7) to
27 the amount of the product obtained under subsection (a)(5);

28 (9) determine the total amount of expenditures of all school districts
29 for the provision of special education and related services;

30 (10) subtract the amount of the sum obtained under subsection (a)(8)
31 from the amount determined under subsection (a)(9); and

32 (11) multiply the remainder obtained under subsection (a)(10) by
33 92%.

34 The computed amount is the amount of state aid for the provision of
35 special education and related services aid a school district is entitled to
36 receive for the ensuing school year.

37 (b) Each school district shall ~~be entitled to~~ receive:

38 (1) Reimbursement for actual travel allowances paid to special
39 teachers at not to exceed the rate specified under K.S.A. 75-3203, and
40 amendments thereto, for each mile actually traveled during the school year
41 in connection with duties in providing special education or related services
42 for exceptional children; Such reimbursement shall be computed by the
43 state board by ascertaining the actual travel allowances paid to special

1 teachers by the school district for the school year and shall be in an
2 amount equal to 80% of such actual travel allowances;

3 (2) reimbursement in an amount equal to 80% of the actual travel
4 expenses incurred for providing transportation for exceptional children to
5 special education or related services;

6 (3) reimbursement in an amount equal to 80% of the actual expenses
7 incurred for the maintenance of an exceptional child at some place other
8 than the residence of such child for the purpose of providing special
9 education or related services; Such reimbursement shall not exceed \$600
10 per exceptional child per school year; and

11 (4) (A) except for those school districts ~~entitled to~~ *that* receive
12 reimbursement under subsection (c) or (d), after subtracting the amounts of
13 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total
14 amount appropriated for special education and related services under this
15 act, an amount which bears the same proportion to the remaining amount
16 appropriated as the number of full-time equivalent special teachers who
17 are qualified to provide special education or related services to exceptional
18 children and are employed by the school district for approved special
19 education or related services bears to the total number of such qualified
20 full-time equivalent special teachers employed by all school districts for
21 approved special education or related services.

22 (B) Each special teacher who is qualified to assist in the provision of
23 special education or related services to exceptional children shall be
24 counted as $\frac{2}{5}$ full-time equivalent special teacher who is qualified to
25 provide special education or related services to exceptional children.

26 (C) For purposes of this subsection (b)(4), a special teacher, qualified
27 to assist in the provision of special education and related services to
28 exceptional children, who assists in providing special education and
29 related services to exceptional children at either the state school for the
30 blind or the state school for the deaf and whose services are paid for by a
31 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments
32 thereto, shall be considered a special teacher of such school district.

33 (c) Each school district which has paid amounts for the provision of
34 special education and related services under an interlocal agreement shall
35 ~~be entitled to~~ receive reimbursement under subsection (b)(4). The amount
36 of such reimbursement for the *school* district shall be the amount which
37 bears the same relation to the aggregate amount available for
38 reimbursement for the provision of special education and related services
39 under the interlocal agreement, as the amount paid by such *school* district
40 in the current school year for provision of such special education and
41 related services bears to the aggregate of all amounts paid by all school
42 districts in the current school year who have entered into such interlocal
43 agreement for provision of such special education and related services.

1 (d) Each contracting school district which has paid amounts for the
2 provision of special education and related services as a member of a
3 cooperative shall ~~be entitled to~~ receive reimbursement under subsection (b)
4 (4). The amount of such reimbursement for the *school* district shall be the
5 amount which bears the same relation to the aggregate amount available
6 for reimbursement for the provision of special education and related
7 services by the cooperative, as the amount paid by such *school* district in
8 the current school year for provision of such special education and related
9 services bears to the aggregate of all amounts paid by all contracting
10 school districts in the current school year by such cooperative for
11 provision of such special education and related services.

12 (e) No time spent by a special teacher in connection with duties
13 performed under a contract entered into by the Kansas juvenile
14 correctional complex, ~~the Atchison juvenile correctional facility,~~ the
15 Larned juvenile correctional facility; or the Topeka juvenile correctional
16 facility and a school district for the provision of special education services
17 by such state institution shall be counted in making computations under
18 this section.

19 (f) There is hereby established in every school district a fund which
20 shall be called the special education fund, which fund shall consist of all
21 moneys deposited therein or transferred thereto according to law.
22 Notwithstanding any other provision of law, all moneys received by the
23 school district from whatever source for special education shall be credited
24 to the special education fund established by this section, except that: (1)
25 Amounts of payments received by a school district under K.S.A. 72-979,
26 and amendments thereto, and amounts of grants, if any, received by a
27 school district under K.S.A. 72-983, and amendments thereto, shall be
28 deposited in the general fund of the district and transferred to the special
29 education fund; and (2) moneys received by a school district pursuant to
30 lawful agreements made under K.S.A. 72-968, and amendments thereto,
31 shall be credited to the special education fund established under the
32 agreements.

33 (g) The expenses of a school district directly attributable to special
34 education shall be paid from the special education fund and from special
35 funds established under K.S.A. 72-968, and amendments thereto.

36 (h) Obligations of a school district pursuant to lawful agreements
37 made under K.S.A. 72-968, and amendments thereto, shall be paid from
38 the special education fund established by this section.

39 Sec. 58. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as
40 follows: 72-1046b. (a) As used in this section:

41 (1) "School district" means a school district organized and operating
42 under the laws of this state and no part of which is located in Johnson
43 county, Sedgwick county, Shawnee county or Wyandotte county.

1 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and
2 in attendance at a school located in a district in which such pupil is not a
3 resident and who: (A) Lives $2\frac{1}{2}$ or more miles from the attendance center
4 the pupil would attend in the district in which the pupil resides and is not a
5 resident of Johnson county, Sedgwick county, Shawnee county or
6 Wyandotte county; or (B) is a member of the family of a pupil meeting the
7 condition prescribed in ~~subpart~~ *subparagraph* (A).

8 (3) "Member of the family" means a brother or sister of the whole or
9 half blood or by adoption, a stepbrother or stepsister, and a foster brother
10 or foster sister.

11 (b) The board of education of any school district may allow any pupil
12 who is not a resident of the district to enroll in and attend school in such
13 district. The board of education of such district may furnish or provide
14 transportation to any non-resident pupil who is enrolled in and attending
15 school in the district pursuant to this section. If the district agrees to
16 furnish or provide transportation to a non-resident pupil, such
17 transportation shall be furnished or provided until the end of the school
18 year. Prior to providing or furnishing transportation to a non-resident
19 pupil, the district shall notify the board of education of the district in
20 which the pupil resides that transportation will be furnished or provided.

21 (c) Pupils attending school in a school district in which the pupil does
22 not reside pursuant to this section shall be counted as regularly enrolled in
23 and attending school in the district where the pupil is enrolled for the
24 purpose of computations under the ~~classroom learning assuring student~~
25 ~~success act, K.S.A. 2016 Supp. 72-6463 et seq.~~ *Kansas school equity and*
26 *enhancement act, section 3 et seq.*, and amendments thereto, *except*
27 *computation of transportation weighting under such act*, and for the
28 purposes of the statutory provisions contained in article 83 of chapter 72 of
29 the Kansas Statutes Annotated, and amendments thereto. Such non-
30 resident pupil shall not be charged for the costs of attendance at school.

31 ~~(d) Any pupil who was not a resident of the district in school year~~
32 ~~2014-2015, but was allowed to enroll in and attend school in such district~~
33 ~~in school year 2014-2015 by the board of education of such district and~~
34 ~~any member of the family of such pupil regardless of whether such family~~
35 ~~member enrolled in and attended school in such district in school year~~
36 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~
37 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~
38 ~~pupil or family member of such pupil is a resident of the district in either~~
39 ~~school year, provided such pupil or such pupil's family member is in~~
40 ~~compliance with any attendance and behavior policies of the district. If~~
41 ~~transportation was furnished or provided to such pupil in school year~~
42 ~~2014-2015 by the district, then transportation shall be furnished or~~
43 ~~provided by the district to such pupil and any family member of such pupil~~

1 in school years 2015-2016 and 2016-2017, provided there is no change in
2 such pupil's residence and no requirement for the district to furnish
3 transportation to any additional residence.

4 Sec. 59. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as
5 follows: 72-1398. (a) The national board for professional teaching
6 standards certification incentive program is hereby established for the
7 purpose of rewarding teachers who have attained certification from the
8 national board. Teachers who have attained certification from the national
9 board shall be issued a master teacher's license by the state board of
10 education. A master teacher's license shall be valid for 10 years and
11 renewable thereafter every 10 years through compliance with continuing
12 education and professional development requirements prescribed by the
13 state board. Teachers who have attained certification from the national
14 board and who are employed by a school district shall be paid an incentive
15 bonus in the amount of \$1,000 each school year that the teacher remains
16 employed by a school district and retains a valid master teacher's license.

17 (b) The board of education of each school district employing one or
18 more national board certified teachers shall pay the incentive bonus to
19 each such teacher in each school year that the teacher retains eligibility for
20 such payment. Each board of education which has made payments of
21 incentive bonuses to national board certified teachers under this subsection
22 may file an application with the state board of education for state aid and
23 shall certify to the state board the amount of such payments. The
24 application and certification shall be on a form prescribed and furnished by
25 the state board, shall contain such information as the state board shall
26 require and shall be filed at the time specified by the state board.

27 (c) In each school year, each school district employing one or more
28 national board certified teachers is entitled to receive from appropriations
29 for the national board for professional teaching standards certification
30 incentive program an amount which is equal to the amount certified to the
31 state board of education in accordance with the provisions of subsection
32 (b). The state board shall certify to the director of accounts and reports the
33 amount due each school district. The director of accounts and reports shall
34 draw warrants on the state treasurer payable to the treasurer of each school
35 district entitled to payment under this section upon vouchers approved by
36 the state board.

37 (d) Moneys received by a board of education under this section shall
38 be deposited in the general fund of the school district and shall be
39 considered reimbursements to the district for the purpose of the ~~classroom~~
40 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463-Kansas~~
41 *school equity and enhancement act, section 3 et seq.*, and amendments
42 thereto, and may be expended whether the same have been budgeted or
43 not.

1 (e) The state board of education is authorized to provide scholarships
2 of \$1,100 each to teachers who are accepted to participate in the national
3 board for professional teaching standards program for initial certification.
4 The state board of education is authorized to provide scholarships of \$500
5 each to teachers who are accepted to participate in the national board for
6 professional teaching standards program for renewal of certification. Any
7 teacher who has been accepted to participate in such program may file an
8 application with the state board of education for a scholarship. The
9 application shall be on a form prescribed and furnished by the state board,
10 shall contain such information as the state board shall require and shall be
11 filed at the time specified by the state board.

12 (f) As used in this section, the term "school district" means any
13 school district organized and operating under the laws of this state.

14 Sec. 60. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as
15 follows: 72-1414. (a) On or before January 1, 2001, the state board of
16 education shall adopt rules and regulations for the administration of
17 mentor teacher programs and shall:

18 (1) Establish standards and criteria for evaluating and approving
19 mentor teacher programs and applications of school districts for grants;

20 (2) evaluate and approve mentor teacher programs;

21 (3) establish criteria for determination of exemplary teaching ability
22 of certificated teachers for qualification as mentor teachers;

23 (4) prescribe guidelines for the selection by boards of education of
24 mentor teachers and for the provision by boards of education of training
25 programs for mentor teachers;

26 (5) be responsible for awarding grants to school districts; and

27 (6) request of and receive from each school district which is awarded
28 a grant for maintenance of a mentor teacher program reports containing
29 information with regard to the effectiveness of the program.

30 (b) Subject to the availability of appropriations for mentor teacher
31 programs maintained by school districts, and within the limits of any such
32 appropriations, the state board of education shall determine the amount of
33 grants to be awarded school districts by multiplying an amount not to
34 exceed \$1,000 by the number of mentor teachers participating in the
35 program maintained by a school district. The product is the amount of the
36 grant to be awarded to the district. Upon receipt of a grant of state moneys
37 for maintenance of a mentor teacher program, the amount of the grant shall
38 be deposited in the general fund of the school district. Moneys deposited in
39 the general fund of a school district under this subsection shall be
40 considered reimbursements for the purpose of the ~~classroom learning~~
41 ~~assuring student success act~~, K.S.A. 2016 Supp. 72-6463 *Kansas school*
42 *equity and enhancement act*, section 3 et seq., and amendments thereto.
43 The full amount of the grant shall be allocated among the mentor teachers

1 employed by the school district so as to provide a mentor teacher with an
2 annual stipend in an amount not to exceed \$1,000. Such annual stipend
3 shall be over and above the regular salary to which the mentor teacher is
4 entitled for the school year.

5 Sec. 61. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as
6 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,
7 and amendments thereto, the board of education of any school district may
8 apply to the state board for a grant of authority to operate such school
9 district as a public innovative district. The application shall be submitted in
10 the form and manner prescribed by the state board, and shall be submitted
11 not later than December 1 of the school year preceding the school year in
12 which the school district intends to operate as a public innovative district.

13 (b) The application shall include the following:

14 (1) A description of the educational programs of the public innovative
15 district;

16 (2) a description of the interest and support for partnerships between
17 the public innovative district, parents and the community;

18 (3) the specific goals and the measurable pupil outcomes to be
19 obtained by operating as a public innovative district; and

20 (4) an explanation of how pupil performance in achieving the
21 specified outcomes will be measured, evaluated and reported.

22 (c) (1) Within 90 days from the date such application is submitted, the
23 state board shall review the application to determine compliance with this
24 section, and shall approve or deny such application on or before the
25 conclusion of such 90-day period. If the application is determined to be in
26 compliance with this section, the state board shall approve such
27 application and grant the school district authority to operate as a public
28 innovative district. Notification of such approval shall be sent to the board
29 of education of such school district within 10 days after such decision.

30 (2) If the state board determines such application is not in compliance
31 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments
32 thereto, the state board shall deny such application. Notification of such
33 denial shall be sent to the board of education of such school district within
34 10 days after such decision and shall specify the reasons therefor. Within
35 30 days from the date such notification is sent, the board of education of
36 such school district may submit a request to the state board for
37 reconsideration of the application and may submit an amended application
38 with such request. The state board shall act on the request for
39 reconsideration within 60 days of receipt of such request.

40 (d) A public innovative district shall:

41 (1) Not charge tuition for any of the pupils residing within the public
42 innovative district;

43 (2) participate in all Kansas math and reading assessments applicable

1 to such public innovative district, or an alternative assessment program for
2 measuring student progress as determined by the board of education;

3 (3) abide by all financial and auditing requirements that are
4 applicable to school districts, except that a public innovative district may
5 use generally accepted accounting principles;

6 (4) comply with all applicable health, safety and access laws; and

7 (5) comply with all statements set forth in the application submitted
8 pursuant to subsection (a).

9 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921
10 through 72-1930, and amendments thereto, or as required by the board of
11 education of the public innovative district, a public innovative district shall
12 be exempt from all laws and rules and regulations that are applicable to
13 school districts.

14 (2) A public innovative district shall be subject to the special
15 education for exceptional children act, the virtual school act, the ~~classroom~~
16 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
17 *school equity and enhancement act, section 3* et seq., and amendments
18 thereto, the provisions of K.S.A. 72-8801 et seq., and amendments thereto,
19 all laws governing the issuance of general obligation bonds by school
20 districts, the provisions of K.S.A. 74-4901 et seq., and amendments
21 thereto, and all laws governing the election of members of the board of
22 education, the open meetings act as provided in K.S.A. 75-4317 et seq.,
23 and amendments thereto, and the open records act as provided in K.S.A.
24 45-215 et seq., and amendments thereto.

25 Sec. 62. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as
26 follows: 72-3712. As used in the virtual school act:

27 (a) "Virtual school" means any school or educational program that:
28 (1) Is offered for credit; (2) uses distance-learning technologies which
29 predominately use internet-based methods to deliver instruction; (3)
30 involves instruction that occurs asynchronously with the teacher and ~~pupil~~
31 *student* in separate locations; (4) requires the ~~pupil student~~ to make
32 academic progress toward the next grade level and matriculation from
33 kindergarten through high school graduation; (5) requires the ~~pupil student~~
34 to demonstrate competence in subject matter for each class or subject in
35 which the ~~pupil student~~ is enrolled as part of the virtual school; and (6)
36 requires age-appropriate ~~pupils students~~ to complete state assessment tests.

37 (b) "School district" means any school district which offers a virtual
38 school.

39 (c) Except as provided by the virtual school act, words and phrases
40 shall have the meanings ascribed thereto in ~~K.S.A. 2016 Supp. 72-6464~~
41 *section 4*, and amendments thereto.

42 Sec. 63. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as
43 follows: 72-3715. (a) In order to be included in the full-time equivalent

1 enrollment of a virtual school, a ~~pupil~~ *student* shall be in attendance at the
 2 virtual school on: (1) A single school day on or before September 19 of
 3 each school year; and (2) on a single school day on or after September 20,
 4 but before October 4 of each school year.

5 (b) A school district which offers a virtual school shall determine the
 6 full-time equivalent enrollment of each ~~pupil~~ *student* enrolled in the virtual
 7 school on September 20 of each school year as follows:

8 (1) Determine the number of hours the ~~pupil~~ *student* was in
 9 attendance on a single school day on or before September 19 of each
 10 school year;

11 (2) determine the number of hours the ~~pupil~~ *student* was in attendance
 12 on a single school day on or after September 20, but before October 4 of
 13 each school year;

14 (3) add the numbers obtained under ~~paragraphs subsections (b)(1) and~~
 15 ~~(b)(2)~~;

16 (4) divide the sum obtained under ~~paragraph subsection (b)(3)~~ by 12.
 17 The quotient is the full-time equivalent enrollment of the ~~pupil~~ *student*.

18 (c) The school days on which a district determines the full-time
 19 equivalent enrollment of a ~~pupil~~ *student* under subsections (b)(1) and (2)
 20 shall be the school days on which the ~~pupil~~ *student* has the highest number
 21 of hours of attendance at the virtual school. No more than six hours of
 22 attendance may be counted in a single school day. Attendance may be
 23 shown by a ~~pupil's~~ *student's* on-line activity or entries in the ~~pupil's~~
 24 *student's* virtual school journal or log of activities.

25 (d) Subject to the availability of appropriations and within the limits
 26 of any such appropriations, each school year a school district which offers
 27 a virtual school shall receive virtual school state aid. The state board of
 28 education shall determine the amount of virtual school state aid a school
 29 district is to receive as follows:

30 (1) ~~For school year 2015-2016:~~

31 (A) ~~Determine the number of pupils~~ *students* enrolled in virtual
 32 school on a full-time basis, excluding those ~~pupils~~ *students* who are over
 33 ~~18 19~~ years of age, and multiply the total number of such ~~pupils~~ *students*
 34 by \$5,000;

35 (B) (2) determine the full-time equivalent enrollment of ~~pupils~~
 36 *students* enrolled in virtual school on a part-time basis, excluding those
 37 pupils who are over ~~18 19~~ years of age, and multiply the total full-time
 38 equivalent enrollment of such ~~pupils~~ *students* by ~~\$4,045~~ *by \$1,700*;

39 (C) (3) ~~for pupils~~ *students* enrolled in a virtual school who are over
 40 ~~18 19~~ years of age, determine the number of one-hour credit courses such
 41 ~~pupils~~ *students* have passed, *not to exceed six credit courses per school*
 42 *year*, and multiply the total number of such courses by ~~\$933~~ *\$709*; and

43 (D) (4) add the amounts calculated under subsections (d)(1)(A) ~~(A)~~

1 through (d)(1)(C) (4). The resulting sum is the amount of virtual school
2 state aid the school district shall receive.

3 ~~(2) For school year 2016-2017:~~

4 ~~(A) Determine the number of pupils enrolled in virtual school on a~~
5 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~
6 ~~multiply the total number of such pupils by \$5,600;~~

7 ~~(B) determine the full-time equivalent enrollment of pupils enrolled~~
8 ~~in virtual school on a part-time basis, excluding those pupils who are over~~
9 ~~18 years of age, and multiply the total full-time equivalent enrollment of~~
10 ~~such pupils by \$1,700;~~

11 ~~(C) for pupils enrolled in a virtual school who are over 18 years of~~
12 ~~age, determine the number of one-hour credit courses such pupils have~~
13 ~~passed and multiply the total number of such courses by \$933; and~~

14 ~~(D) add the amounts calculated under subsections (d)(2)(A) through~~
15 ~~(d)(2)(C). The resulting sum is the amount of virtual school state aid the~~
16 ~~school district shall receive.~~

17 ~~(3) For purposes of this subsection:~~

18 ~~(A) "Full-time" means attendance in a virtual school for no less than~~
19 ~~six hours as determined pursuant to subsection (b).~~

20 ~~(B) "Part-time" means attendance in a virtual school for less than six~~
21 ~~hours as determined pursuant to subsection (b).~~

22 ~~(e) (1) There is hereby established in every school district a fund~~
23 ~~which shall be called the virtual school fund, which fund shall consist of~~
24 ~~all moneys deposited therein or transferred thereto according to law. The~~
25 ~~expenses of a school district directly attributable to virtual schools offered~~
26 ~~by a school district may be paid from the virtual school fund. The cost of~~
27 ~~an advance placement course provided to a pupil student by a virtual~~
28 ~~school shall be paid by the virtual school. Amounts deposited in the virtual~~
29 ~~school fund may be transferred to the general fund of the school district as~~
30 ~~approved by the board of education. Moneys deposited in or otherwise~~
31 ~~transferred to the virtual school fund shall only be expended for those~~
32 ~~costs directly attributable to the provision of virtual instruction.~~

33 ~~(2) Any balance remaining in the virtual school fund at the end of the~~
34 ~~budget year shall be carried forward into the virtual school fund for~~
35 ~~succeeding budget years. Such fund shall not be subject to the provisions~~
36 ~~of K.S.A. 79-2925 through 79-2937, and amendments thereto.~~

37 ~~(3) In preparing the budget of such school district, the amounts~~
38 ~~credited to and the amount on hand in the virtual school fund, and the~~
39 ~~amount expended therefrom shall be included in the annual budget for the~~
40 ~~information of the residents of the school district. Interest earned on the~~
41 ~~investment of moneys in any such fund shall be credited to that fund.~~

42 ~~(f) For the purposes of this section, a pupil student enrolled in a~~
43 ~~virtual school who is not a resident of the state of Kansas shall not be~~

1 counted in the full-time equivalent enrollment of the virtual school. The
2 virtual school shall record the permanent address of any ~~pupil~~ student
3 enrolled in such virtual school.

4 (g) *For purposes of this section:*

5 (A) *"Full-time" means attendance in a virtual school for no less than*
6 *six hours as determined pursuant to subsection (b).*

7 (B) *"Part-time" means attendance in a virtual school for less than six*
8 *hours as determined pursuant to subsection (b).*

9 (h) *In recognition of the continuing work of the state board in*
10 *evaluating virtual school programs and to allow the legislature time to*
11 *review virtual school funding to ensure that such funding is reasonably*
12 *calculated to have students meet or exceed the educational goal set forth*
13 *in K.S.A. 2016 Supp. 72-1127(c), and amendments thereto, the provisions*
14 *of subsections (a) through (d) shall expire on July 1, 2020.*

15 Sec. 64. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as
16 follows: 72-5333b. (a) The unified school district maintaining and
17 operating a school on the Fort Leavenworth military reservation, being
18 unified school district No. 207 of Leavenworth county, state of Kansas,
19 shall have a governing body, which shall be known as the "Fort
20 Leavenworth school district board of education" and which shall consist of
21 three members who shall be appointed by, and serve at the pleasure of the
22 commanding general of Fort Leavenworth. One member of the board shall
23 be the president and one member shall be the vice-president. The
24 commanding general, when making any appointment to the board, shall
25 designate which of the offices the member so appointed shall hold. Except
26 as otherwise expressly provided in this section, the district board and the
27 officers thereof shall have and may exercise all the powers, duties,
28 authority and jurisdiction imposed or conferred by law on unified school
29 districts and boards of education thereof, except such school district shall
30 not offer or operate any of grades 10 through 12.

31 (b) The board of education of the school district shall not have the
32 power to issue bonds.

33 (c) Except as otherwise expressly provided in this subsection, the
34 provisions of the ~~classroom learning assuring student success act, K.S.A.~~
35 ~~2016 Supp. 72-6463~~ *Kansas school equity and enhancement act, section 3*
36 *et seq., and amendments thereto, apply to the school district. As applied to*
37 *the school district, the terms "local foundation aid" and "federal impact*
38 *aid" shall not include any moneys received by the school district under*
39 *subsection (3)(d)(2)(b) of public law 81-874. Any such moneys received*
40 *by the school district shall be deposited in the general fund of the school*
41 *district or, at the discretion of the board of education, in the capital outlay*
42 *fund of the school district.*

43 Sec. 65. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as

1 follows: 72-64b01. (a) No school district shall expend, use or transfer any
2 moneys from the general fund of the district for the purpose of engaging in
3 or supporting in any manner any litigation by the school district or any
4 person, association, corporation or other entity against the state of Kansas,
5 the state board of education, the state department of education, other state
6 agency or any state officer or employee regarding *the Kansas school*
7 *equity and enhancement act* or any other law concerning school finance.
8 No such moneys shall be paid, donated or otherwise provided to any
9 person, association, corporation or other entity and used for the purpose of
10 any such litigation.

11 (b) Nothing in *section 15, and amendments thereto, or this section*
12 shall be construed as prohibiting the expenditure, use or transfer of
13 moneys from *that portion of* the proceeds of any tax levied by a school
14 district pursuant to ~~K.S.A. 2016 Supp. 72-6472~~ *section 19*, and
15 amendments thereto, *that was levied to finance a school district's local*
16 *option budget*, for the purposes specified in subsection (a).

17 Sec. 66. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as
18 follows: 72-64c03. The appropriation of moneys necessary to pay general
19 state aid and supplemental general state aid under the ~~classroom learning~~
20 ~~assuring student success act~~, ~~K.S.A. 2016 Supp. 72-6463~~ *Kansas school*
21 *equity and enhancement act, section 3 et seq.*, and amendments thereto,
22 and state aid for the provision of special education and related services
23 under the special education for exceptional children act shall be given first
24 priority in the legislative budgeting process and shall be paid first from
25 existing state revenues.

26 Sec. 67. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as
27 follows: 72-64c05. Article 6 of the constitution of the state of Kansas
28 states that the legislature shall provide for intellectual, educational,
29 vocational and scientific improvement by establishing and maintaining
30 public schools; provide for a state board of education having general
31 supervision of public schools, educational institutions and the educational
32 interests of the state, except those delegated by law to the state board of
33 regents; and make suitable provision for finance of the educational
34 interests of the state. It is the purpose and intention of the legislature to
35 provide a financing system for the education of kindergarten and grades
36 one through 12 which provides students with the capacities set forth in
37 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing
38 system shall be sufficiently flexible for the legislature to consider and
39 utilize financing methods from all available resources in order to satisfy
40 the constitutional requirements under article 6. Such financing methods
41 shall include, but are not limited to, the following:

42 (a) Federal funding to unified school districts or public schools,
43 including any grants or federal assistance;

1 (b) subject to appropriations by the legislature, appropriations of state
2 moneys for the improvement of public education, including, but not
3 limited to, the following:

4 (1) Financing to unified school districts through the ~~classroom-~~
5 ~~learning-assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
6 *school equity and enhancement act, section 3* et seq., and amendments
7 thereto;

8 (2) financing to unified school districts through any provisions which
9 provide state aid, such as capital improvements state aid, capital outlay
10 state aid and any other state aid paid, distributed or allocated to school
11 districts on the basis of the assessed valuation of school districts;

12 (3) employer contributions to the Kansas public employees retirement
13 system for public schools;

14 (4) appropriations to the Kansas children's cabinet for programs
15 serving students enrolled in unified school districts in meeting the goal
16 specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

17 (5) appropriations to any programs which provide early learning to
18 four-year-old children with the purpose of preparing them for success in
19 public schools;

20 (6) appropriations to any programs, such as communities in schools,
21 which provide individualized support to students enrolled in unified school
22 districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and
23 amendments thereto;

24 (7) transportation financing, including any transfers from the state
25 general fund and state highway fund to the state department of education
26 to provide technical education transportation, special education
27 transportation or school bus safety;

28 (8) financing to other facilities providing public education to students,
29 such as the Kansas state school for the blind, the Kansas state school for
30 the deaf, school district juvenile detention facilities and the Flint Hills job
31 corps center;

32 (9) appropriations relating to the Kansas academy of mathematics and
33 science;

34 (10) appropriations relating to teaching excellence, such as
35 scholarships, awards, training or in-service workshops;

36 (11) appropriations to the state board of regents to provide technical
37 education incentives to unified school districts and tuition costs to
38 postsecondary institutions which provide career technical education to
39 secondary students; and

40 (12) appropriations to any postsecondary educational institution
41 which provides postsecondary education to a secondary student without
42 charging tuition to such student;

43 (c) any provision which authorizes the levying of local taxes for the

1 purpose of financing public schools; and

2 (d) any transfer of funds or appropriations from one object or fund to
3 another approved by the legislature for the purpose of financing public
4 schools.

5 Sec. 68. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as
6 follows: 72-6622. In the event that all of the property acquired by any two
7 cities under the provisions of K.S.A. 3-404 et seq., and amendments
8 thereto, is included within the territory of a unified school district in which
9 only one of such cities is located:

10 (a) One-half of the assessed valuation of such property shall be
11 assigned to each of the two school districts in which such cities are located
12 for the purposes of determining the assessed valuation of each district for
13 ~~entitlement to:~~ (1) *Supplemental state aid under section 17, and*
14 *amendments thereto; and (2) payment from the school district capital*
15 *improvements fund under K.S.A. 75-2319, and amendments thereto;*

16 (b) The revenue to be received by each district under subsection (c)
17 shall be used as a receipt by such district in computing its ad valorem tax
18 requirement for each tax levy fund; and

19 (c) Such property shall be subject to taxation for school purposes at a
20 rate equal to the aggregate of all rates imposed for school purposes upon
21 property located within the school district in which such property is
22 located, but one-half of the proceeds derived from such levy shall be
23 allocated to each of the two school districts in which such cities are
24 located.

25 Sec. 69. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as
26 follows: 72-6624. (a) As used in this section:

27 (1) "School district" means unified school district No. 404, unified
28 school district No. 493, unified school district No. 499 and unified school
29 district No. 508.

30 (2) "Property" means any property, and improvements thereon,
31 comprising a racetrack gaming facility or lottery gaming facility under the
32 Kansas expanded lottery act located in Cherokee county.

33 (3) "State aid" means general state aid, *supplemental state aid*, capital
34 improvements state aid, capital outlay state aid and any other state aid
35 paid, distributed or allocated to school districts under the ~~classroom-~~
36 ~~learning-assuring-student-success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
37 *school equity and enhancement act, section 3* et seq., and amendments
38 thereto, or other law, and any other state aid paid, distributed or allocated
39 to school districts on the basis of the assessed valuation of school districts.

40 (b) For the purposes of computing the assessed valuation of school
41 districts for the payment, distribution or allocation of state aid and the
42 levying of school taxes, $\frac{1}{4}$ of the assessed valuation of such property shall
43 be assigned to each of the school districts.

1 (c) The provisions of this section shall not apply if the property is not
2 or ceases to be used as a racetrack gaming facility or lottery gaming
3 facility under the Kansas expanded lottery act.

4 Sec. 70. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as
5 follows: 72-6625. (a) As used in this section:

6 (1) "School district" means unified school district No. 507 and
7 unified school district No. 374.

8 (2) "Property" means the following described property, and
9 improvements thereon, comprised of 1,120 acres, more or less, located in
10 Haskell county: All of Section 34, Township 29 South, Range 33 West and
11 the West 1/2 of Section 3, Township 30 South, Range 33 West and the
12 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

13 (3) "State aid" means general state aid, *supplemental state aid*, capital
14 improvements state aid, capital outlay state aid and any other state aid
15 paid, distributed or allocated to school districts under the ~~classroom-~~
16 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
17 *school equity and enhancement act, section 3* et seq., and amendments
18 thereto, or other law, and any other state aid paid, distributed or allocated
19 to school districts on the basis of the assessed valuation of school districts.

20 (b) For the purposes of computing the assessed valuation of school
21 districts for the payment, distribution or allocation of state aid and the
22 levying of school taxes, 1/2 of the assessed valuation of such property shall
23 be assigned to each of the school districts.

24 (c) The provisions of this section shall not apply if the property is not
25 or ceases to be used for the production of ethanol.

26 Sec. 71. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as
27 follows: 72-6757. (a) As used in this section:

28 (1) "Receiving school district" means a school district of
29 nonresidence of a pupil who attends school in such school district.

30 (2) "Sending school district" means a school district of residence of a
31 pupil who attends school in a school district not of the pupil's residence.

32 (b) The board of education of any school district may make and enter
33 into contracts with the board of education of any receiving school district
34 located in this state for the purpose of providing for the attendance of
35 pupils at school in the receiving school district.

36 (c) The board of education of any school district may make and enter
37 into contracts with the governing authority of any accredited school
38 district located in another state for the purpose of providing for the
39 attendance of pupils from this state at school in such other state or for the
40 attendance of pupils from such other state at school in this state.

41 (d) Pupils attending school in a receiving school district in
42 accordance with a contract authorized by this section and made and
43 entered into by such receiving school district with a sending school district

1 located in this state shall be counted as regularly enrolled in and attending
2 school in the sending school district for the purpose of computations under
3 ~~the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
4 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq.*, and
5 amendments thereto.

6 (e) Any contract made and entered into under authority of this section
7 is subject to the following conditions:

8 (1) The contract shall be for the benefit of pupils who reside at
9 inconvenient or unreasonable distances from the schools maintained by the
10 sending school district or for pupils who, for any other reason deemed
11 sufficient by the board of education of the sending school district, should
12 attend school in a receiving school district;

13 (2) the contract shall make provision for the payment of tuition by the
14 sending school district to the receiving school district;

15 (3) if a sending school district is located in this state and the receiving
16 school district is located in another state, the amount of tuition provided to
17 be paid for the attendance of a pupil or pupils at school in the receiving
18 school district shall not exceed $\frac{1}{2}$ of the amount of the budget per pupil of
19 the sending school district under ~~the classroom learning assuring student~~
20 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*
21 *enhancement act, section 3 et seq.*, and amendments thereto, for the
22 current school year; and

23 (4) the contract shall make provision for transportation of pupils to
24 and from the school attended on every school day.

25 (f) Amounts received pursuant to contracts made and entered into
26 under authority of this section by a school district located in this state for
27 enrollment and attendance of pupils at school in regular educational
28 programs shall be deposited in the general fund of the school district.

29 (g) The provisions of subsection (e)(3) do not apply to unified school
30 district No. ~~104, Jewell county~~ *107, Rock Hills*.

31 (h) The provisions of this section do not apply to contracts made and
32 entered into under authority of the special education for exceptional
33 children act.

34 (i) The provisions of this section are deemed to be alternative to the
35 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure
36 or authorization under K.S.A. 72-8233, and amendments thereto, shall be
37 limited by the provisions of this section.

38 Sec. 72. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as
39 follows: 72-67,115. (a) The board of education of any school district may:

40 (1) Offer and teach courses and conduct preschool programs for
41 children under the age of eligibility to attend kindergarten.

42 (2) Enter into cooperative or interlocal agreements with one or more
43 other boards for the establishment, operation and maintenance of such

1 preschool programs.

2 (3) Contract with private, nonprofit corporations or associations or
3 with any public or private agency or institution, whether located within or
4 outside the state, for the establishment, operation and maintenance of such
5 preschool programs.

6 (4) Prescribe and collect fees for providing such preschool programs.

7 (b) Fees for providing preschool programs shall be prescribed and
8 collected only to recover the costs incurred as a result of and directly
9 attributable to the establishment, operation and maintenance of the
10 preschool programs. Revenues from fees collected by a board under this
11 section shall be deposited in the general fund of the school district and
12 shall be considered reimbursements to the district for the purpose of the
13 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
14 ~~6463~~ *Kansas school equity and enhancement act, section 3* et seq., and
15 amendments thereto, and may be expended whether the same have been
16 budgeted or not and amounts so expended shall not be considered
17 operating expenses.

18 Sec. 73. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as
19 follows: 72-7535. (a) In order to equip students with the knowledge and
20 skills needed to become self-supporting and to enable students to make
21 critical decisions regarding personal finances, the state board of education
22 shall authorize and assist in the implementation of programs on teaching
23 personal financial literacy.

24 (b) The state board of education shall develop a curriculum, materials
25 and guidelines that local boards of education and governing authorities of
26 accredited nonpublic schools may use in implementing the program of
27 instruction on personal financial literacy. The state board of education
28 shall adopt a glossary of personal financial literacy terms which shall be
29 used by school districts when implementing the program on personal
30 financial literacy.

31 (c) The state board of education shall develop state curriculum
32 standards for personal financial literacy, for all grade levels, within the
33 existing mathematics curriculum or another appropriate subject-matter
34 curriculum.

35 (d) The state board of education shall encourage school districts when
36 selecting textbooks for mathematics, economics, family and consumer
37 science, accounting or other appropriate courses, to select those textbooks
38 which contain substantive provisions on personal finance, including
39 personal budgeting, credit, debt management and other topics concerning
40 personal financial literacy.

41 (e) The state board of education shall include questions relating to
42 personal financial literacy in the statewide assessments for mathematics or
43 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 42*, and

1 amendments thereto. When the statewide assessments for mathematics or
2 social studies are reviewed or rewritten, the state board of education shall
3 examine the questions relating to personal financial literacy and rewrite
4 such questions in order to determine if programs on personal financial
5 literacy are equipping students with the knowledge and skills needed to
6 become self-supporting and enabling students to make critical decisions
7 regarding personal finances.

8 Sec. 74. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as
9 follows: 72-8187. (a) In each school year, to the extent that appropriations
10 are available, each school district which has provided educational services
11 for pupils residing at the Flint Hills job corps center, for pupils housed at a
12 psychiatric residential treatment facility or for pupils confined in a juvenile
13 detention facility is eligible to receive a grant of state moneys in an
14 amount to be determined by the state board of education.

15 (b) In order to be eligible for a grant of state moneys provided for by
16 this section, each school district which has provided educational services
17 for pupils residing at the Flint Hills job corps center, for pupils housed at a
18 psychiatric residential treatment facility or for pupils confined in a juvenile
19 detention facility shall submit to the state board of education an
20 application for a grant and shall certify the amount expended, and not
21 reimbursed or otherwise financed, in the school year for the services
22 provided. The application and certification shall be prepared in such form
23 and manner as the state board shall require and shall be submitted at a time
24 to be determined and specified by the state board. Approval by the state
25 board of applications for grants of state moneys is prerequisite to the
26 award of grants.

27 (c) Each school district which is awarded a grant under this section
28 shall make such periodic and special reports of statistical and financial
29 information to the state board as it may request.

30 (d) All moneys received by a school district under authority of this
31 section shall be deposited in the general fund of the school district and
32 shall be considered reimbursement of the district for the purpose of the
33 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
34 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq.*, and
35 amendments thereto.

36 (e) The state board of education shall approve applications of school
37 districts for grants, determine the amount of grants and be responsible for
38 payment of grants to school districts. In determining the amount of a grant
39 which a school district is eligible to receive, the state board shall compute
40 the amount of state financial aid the district would have received on the
41 basis of enrollment of pupils residing at the Flint Hills job corps center,
42 housed at a psychiatric residential treatment facility or confined in a
43 juvenile detention facility if such pupils had been counted as two pupils

1 under the school district finance and quality performance act and compare
2 such computed amount to the amount certified by the district under
3 subsection (b). The amount of the grant the district is eligible to receive
4 shall be an amount equal to the lesser of the amount computed under this
5 subsection or the amount certified under subsection (b). If the amount of
6 appropriations for the payment of grants under this section is insufficient
7 to pay in full the amount each school district is determined to be eligible to
8 receive for the school year, the state board shall prorate the amount
9 appropriated among all school districts which are eligible to receive grants
10 of state moneys in proportion to the amount each school district is
11 determined to be eligible to receive.

12 (f) On or before July 1 of each year, the secretary for aging and
13 disability services shall submit to the Kansas department of education a list
14 of facilities which have been certified and licensed as psychiatric
15 residential treatment facilities.

16 (g) As used in this section:

17 (1) "Enrollment" means the number of pupils who are: (A) Residing
18 at the Flint Hills job corps center, confined in a juvenile detention facility
19 or residing at a psychiatric residential treatment facility; and (B) for whom
20 a school district is providing educational services on September 20, on
21 November 20, or on April 20 of a school year, whichever is the greatest
22 number of pupils;

23 (2) "juvenile detention facility" means any public or private facility
24 which is used for the lawful custody of accused or adjudicated juvenile
25 offenders and which shall not be a jail; and

26 (3) "psychiatric residential treatment facility" means a facility which
27 provides psychiatric services to individuals under the age of 21 and which
28 conforms with the regulations of the centers for medicare/medicaid
29 services, is licensed and certified by the Kansas department for aging and
30 disability services pursuant to subsection (f).

31 Sec. 75. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as
32 follows: 72-8190. (a) For the purpose of determination of *supplemental*
33 *state aid under section 17, and amendments thereto, and* payments from
34 the school district capital improvements fund under K.S.A. 75-2319, and
35 amendments thereto, notwithstanding any provision of either such
36 statutory section to the contrary, the term assessed valuation per pupil, as
37 applied to unified school district No. 203, Wyandotte county, shall not
38 include within its meaning the assessed valuation of property which is
39 owned by Sunflower Racing, Inc. and operated as a racetrack facility
40 known as the Woodlands. The meaning of assessed valuation per pupil as
41 provided in this subsection, for the purposes specified in this subsection,
42 and as applied to the unified school district designated in this subsection,
43 shall be in force and effect for the 1994-95 and 1995-96 school years.

1 (b) (1) In the event unified school district No. 203, Wyandotte county,
2 receives in any school year the proceeds from any taxes which may be
3 paid upon the Woodlands for the 1994-95 school year or the 1995-96
4 school year or for both such school years, the state board of education
5 shall deduct an amount equal to the amount of such tax proceeds from
6 future payments of state aid to which the district is entitled.

7 (2) For the purposes of this subsection, the term "state aid" means
8 payments from the school district capital improvements fund.

9 Sec. 76. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as
10 follows: 72-8230. (a) In the event the boards of education of any two or
11 more school districts enter into a school district interlocal cooperation
12 agreement for the purpose of jointly and cooperatively performing any of
13 the services, duties, functions, activities, obligations or responsibilities
14 which are authorized or required by law to be performed by school
15 districts of this state, the following conditions shall apply:

16 (1) A school district interlocal cooperation agreement shall establish a
17 board of directors which shall be responsible for administering the joint or
18 cooperative undertaking. The agreement shall specify the organization and
19 composition of and manner of appointment to the board of directors. Only
20 members of boards of education of school districts party to the agreement
21 shall be eligible for membership on the board of directors. The terms of
22 office of members of the board of directors shall expire concurrently with
23 their terms as board of education members. Vacancies in the membership
24 of the board of directors shall be filled within 30 days from the date of the
25 vacancy in the manner specified in the agreement.

26 (2) A school district interlocal cooperation agreement may provide
27 for the establishment and composition of an executive board. The
28 members of the executive board, if established, shall be selected by the
29 board of directors from its membership. The executive board shall exercise
30 the powers, have the responsibilities, and perform the duties and functions
31 of the board of directors to the extent authority to do so is delegated by the
32 board of directors.

33 (3) A school district interlocal cooperation agreement shall be
34 effective only after approval by the state board of education.

35 (4) A school district interlocal cooperation agreement shall be subject
36 to change or termination by the legislature.

37 (5) The duration of a school district interlocal cooperation agreement
38 for joint or cooperative action in performing any of the services, duties,
39 functions, activities, obligations or responsibilities, other than the
40 provision of special education services, which are authorized or required
41 by law to be performed by school districts of this state, shall be for a term
42 of at least three years but not exceeding five years.

43 (6) (A) The duration of a school district interlocal cooperation

1 agreement for joint or cooperative action in providing special education
2 services shall be perpetual unless the agreement is partially or completely
3 terminated in accordance with this provision. This provision applies to
4 every school district interlocal cooperation agreement for the provision of
5 special education services entered into under authority of this section after
6 the effective date of this act and to every such agreement entered into
7 under this section prior to the effective date of this act, and extant on the
8 effective date of this act, regardless of any provisions in such an agreement
9 to the contrary.

10 (B) Partial termination of a school district interlocal cooperation
11 agreement for the provision of special education services made and
12 entered into by the boards of three or more school districts may be
13 accomplished only upon petition for withdrawal from the agreement by a
14 contracting school district to the other contracting school districts and
15 approval by the state board of written consent to the petition by such other
16 school districts or upon order of the state board after appeal to it by a
17 school district from denial of consent to a petition for withdrawal and
18 hearing thereon conducted by the state board. The state board shall
19 consider all the testimony and evidence brought forth at the hearing and
20 issue an order approving or disapproving withdrawal by the school district
21 from the agreement.

22 (C) Complete termination of a school district interlocal cooperation
23 agreement for the provision of special education services made and
24 entered into by the boards of two school districts may be accomplished
25 upon approval by the state board of a joint petition made to the state board
26 for termination of the agreement by both of the contracting school districts
27 after adoption of a resolution to that effect by each of the contracting
28 school districts or upon petition for withdrawal from the agreement made
29 by a contracting school district to the other contracting school district and
30 approval by the state board of written consent to the petition by such other
31 school district or upon order of the state board after appeal to it by a school
32 district from denial of consent to a petition for withdrawal and hearing
33 thereon conducted by the state board. The state board shall consider all the
34 testimony and evidence brought forth at the hearing and issue an order
35 approving or disapproving withdrawal by the school district from the
36 agreement.

37 (D) Complete termination of a school district interlocal cooperation
38 agreement for the provision of special education services made and
39 entered into by the boards of three or more school districts may be
40 accomplished only upon approval by the state board of a joint petition
41 made to the state board for termination of the agreement by not less than
42 $\frac{2}{3}$ of the contracting school districts after adoption of a resolution to that
43 effect by each of the contracting school districts seeking termination of the

1 agreement. The state board shall consider the petition and approve or
2 disapprove termination of the agreement.

3 (E) The state board shall take such action in approving or
4 disapproving the complete or partial termination of a school district
5 interlocal cooperation agreement for the provision of special education
6 services as the state board deems to be in the best interests of the involved
7 school districts and of the state as a whole in the provision of special
8 education services for exceptional children. Whenever the state board has
9 disapproved the complete or partial termination of such an agreement, no
10 further action with respect to such agreement shall be considered or taken
11 by the state board for a period of not less than three years.

12 (7) A school district interlocal cooperation agreement shall specify
13 the method or methods to be employed for disposing of property upon
14 partial or complete termination.

15 (8) Within the limitations provided by law, a school district interlocal
16 cooperation agreement may be changed or modified by affirmative vote of
17 not less than $\frac{2}{3}$ of the contracting school districts.

18 (b) Except as otherwise specifically provided in this subsection, any
19 power or powers, privileges or authority exercised or capable of exercise
20 by any school district of this state, or by any board of education thereof,
21 may be jointly exercised pursuant to the provisions of a school district
22 interlocal cooperation agreement. No power or powers, privileges or
23 authority with respect to the levy and collection of taxes, the issuance of
24 bonds, or the purposes and provisions of the ~~classroom learning assuring~~
25 ~~student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*
26 *enhancement act, section 3* et seq., and amendments thereto, or title I of
27 public law 874 shall be created or effectuated for joint exercise pursuant to
28 the provisions of a school district interlocal cooperation agreement.

29 (c) Payments from the general fund of each school district which
30 enters into any school district interlocal cooperation agreement for the
31 purpose of financing the joint or cooperative undertaking provided for by
32 the agreement shall be operating expenses.

33 (d) Upon partial termination of a school district interlocal cooperation
34 agreement, the board of directors established under a renegotiated
35 agreement thereof shall be the successor in every respect to the board of
36 directors established under the former agreement.

37 (e) Nothing contained in this section shall be construed to abrogate,
38 interfere with, impair, qualify or affect in any manner the exercise and
39 enjoyment of all of the powers, privileges and authority conferred upon
40 school districts and boards of education thereof by the provisions of the
41 interlocal cooperation act, except that boards of education and school
42 districts are required to comply with the provisions of this section when
43 entering into an interlocal cooperation agreement that meets the definition

1 of school district interlocal cooperation agreement.

2 (f) As used in this section:

3 (1) "School district interlocal cooperation agreement" means an
4 agreement which is entered into by the boards of education of two or more
5 school districts pursuant to the provisions of the interlocal cooperation act.

6 (2) "State board" means the state board of education.

7 Sec. 77. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as
8 follows: 72-8233. (a) In accordance with the provisions of this section, the
9 boards of education of any two or more unified school districts may make
10 and enter into agreements providing for the attendance of pupils residing
11 in one school district at school in kindergarten or any of the grades one
12 through 12 maintained by any such other school district. The boards of
13 education may also provide by agreement for the combination of
14 enrollments for kindergarten or one or more grades, courses or units of
15 instruction.

16 (b) Prior to entering into any agreement under authority of this
17 section, the board of education shall adopt a resolution declaring that it has
18 made a determination that such an agreement should be made and that the
19 making and entering into of such an agreement would be in the best
20 interests of the educational system of the school district. Any such
21 agreement is subject to the following conditions:

22 (1) The agreement may be for any term not exceeding a term of five
23 years.

24 (2) The agreement shall be subject to change or termination by the
25 legislature.

26 (3) Within the limitations provided by law, the agreement may be
27 changed or terminated by mutual agreement of the participating boards of
28 education.

29 (4) The agreement shall make provision for transportation of pupils to
30 and from the school attended on every school day, for payment or sharing
31 of the costs and expenses of pupil attendance at school, and for the
32 authority and responsibility of the participating boards of education.

33 (c) Provision by agreements entered into under authority of this
34 section for the attendance of pupils at school in a school district of
35 nonresidence of such pupils shall be deemed to be *in* compliance with the
36 kindergarten, grade, course and units of instruction requirements of law.

37 (d) The board of education of any school district which enters into an
38 agreement under authority of this section for the attendance of pupils at
39 school in another school district may discontinue kindergarten or any or all
40 of the grades, courses and units of instruction specified in the agreement
41 for attendance of pupils enrolled in kindergarten or any such grades,
42 courses and units of instruction at school in such other school district.
43 Upon discontinuing kindergarten or any grade, course or unit of instruction

1 under authority of this subsection, the board of education may close any
2 school building or buildings operated or used for attendance by pupils
3 enrolled in such discontinued kindergarten, grades, courses or units of
4 instruction. The closing of any school building under authority of this
5 subsection shall require a majority vote of the members of the board of
6 education and shall require no other procedure or approval.

7 (e) Pupils attending school in a school district of nonresidence of
8 such pupils in accordance with an agreement made and entered into under
9 authority of this section shall be counted as regularly enrolled in and
10 attending school in the school district of residence of such pupils for the
11 purpose of computations under the ~~classroom learning assuring student~~
12 ~~success act, K.S.A. 2016 Supp. 72-6463 Kansas school equity and~~
13 ~~enhancement act, section 3 et seq., and amendments thereto.~~

14 (f) Pupils who satisfactorily complete grade 12 while in attendance at
15 school in a school district of nonresidence of such pupils in accordance
16 with the provisions of an agreement entered into under authority of this
17 section shall be certified as having graduated from the school district of
18 residence of such pupils unless otherwise provided for by the agreement.

19 Sec. 78. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as
20 follows: 72-8236. (a) The board of education of any school district may:
21 (1) Establish, operate and maintain a child care facility; (2) enter into
22 cooperative or interlocal agreements with one or more other boards for the
23 establishment, operation and maintenance of a child care facility; (3)
24 contract with private, nonprofit corporations or associations or with any
25 public or private agency or institution, whether located within or outside
26 the state, for the establishment, operation and maintenance of a child care
27 facility; and (4) prescribe and collect fees for providing care at a child care
28 facility.

29 (b) Fees for providing care at a child care facility established under
30 authority of this section shall be prescribed and collected only to recover
31 the costs incurred as a result of and directly attributable to the
32 establishment, operation and maintenance of the child care facility.
33 Revenues from fees collected by a board under this section shall be
34 deposited in the general fund of the school district and shall be considered
35 reimbursements to the district for the purpose of the ~~classroom learning~~
36 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463 Kansas school~~
37 ~~equity and enhancement act, section 3 et seq., and amendments thereto,~~
38 and may be expended whether the same have been budgeted or not and
39 amounts so expended shall not be considered operating expenses.

40 (c) Every school district which establishes, operates and maintains a
41 child care facility shall be subject to the provisions contained in article 5 of
42 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

43 (d) As used in this section, the term "child" means any child who is

1 three years of age or older, and any infant or toddler whose parent or
2 parents are pupils or employees of a school district which establishes,
3 operates and maintains, or cooperates in the establishment, operation and
4 maintenance of, a child care facility under authority of this act.

5 Sec. 79. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as
6 follows: 72-8249. (a) There is hereby established in every school district a
7 special reserve fund. Moneys in such fund shall be used to:

8 (1) Pay claims, judgments, expenses and other purposes relating to
9 health care services, disability income benefits and group life insurance
10 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

11 (2) pay costs relating to uninsured losses; and

12 (3) pay the cost of workers compensation insurance and workers
13 compensation claims, awards, expenses and other purposes authorized by
14 the workers compensation act.

15 ~~Moneys in such fund may be transferred to the general fund of the~~
16 ~~school district as approved by the board of education.~~

17 (b) Any balance remaining in the special reserve fund at the end of
18 the budget year shall be carried forward into that reserve fund for
19 succeeding budget years. Such fund shall not be subject to the provisions
20 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
21 the budget of such school district, the amounts credited to and the amount
22 on hand in the special reserve fund, and the amount expended therefrom
23 shall be included in the annual budget for the information of the residents
24 of the school district. Interest earned on the investment of moneys in any
25 such fund shall be credited to that fund.

26 Sec. 80. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as
27 follows: 72-8250. (a) There is hereby established in every school district a
28 textbook and student materials revolving fund. Moneys in such fund shall
29 be used to:

30 (1) Purchase any items designated in K.S.A. 72-5389, and
31 amendments thereto;

32 (2) pay the cost of materials or other items used in curricular,
33 extracurricular or other school-related activities; and

34 (3) purchase textbooks as authorized by K.S.A. 72-4141, and
35 amendments thereto.

36 ~~Moneys in such fund may be transferred to the general fund of the~~
37 ~~school district as approved by the board of education.~~

38 (b) Any balance remaining in the textbook and student materials
39 revolving fund at the end of the budget year shall be carried forward into
40 that fund for succeeding budget years. Such fund shall not be subject to the
41 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
42 In preparing the budget of such school district, the amounts credited to and
43 the amount on hand in the textbook and student materials revolving fund,

1 and the amount expended therefrom shall be included in the annual budget
2 for the information of the residents of the school district. ~~Interest earned on~~
3 ~~the investment of moneys in any such fund shall be credited to that fund.~~

4 Sec. 81. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as
5 follows: 72-8251. Whenever a school district is required by law to make
6 any payment during the month of June and there is insufficient revenue to
7 make such payment as a result of the payment of state aid after the date
8 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~
9 ~~72-6466 section 7~~, and amendments thereto, the school district shall make
10 such payment as soon as moneys are available.

11 Sec. 82. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as
12 follows: 72-8302. (a) The board of education of a school district may
13 provide or furnish transportation for ~~pupils~~ *students* who are enrolled in
14 the school district to or from any school of the school district or to or from
15 any school of another school district attended by such ~~pupils~~ *students* in
16 accordance with the provisions of an agreement entered into under
17 authority of K.S.A. 72-8233, and amendments thereto.

18 (b) (1) When any or all of the conditions specified in this provision
19 exist, the board of education of a school district shall provide or furnish
20 transportation for ~~pupils~~ *students* who reside in the school district and who
21 attend any school of the school district or who attend any school of another
22 school district in accordance with the provisions of an agreement entered
23 into under authority of K.S.A. 72-8233, and amendments thereto. The
24 conditions which apply to the requirements of this provision are as
25 follows:

26 (A) The residence of the ~~pupil~~ *student* is inside or outside the
27 corporate limits of a city, the school building attended is outside the
28 corporate limits of a city and the school building attended is more than 2½
29 miles by the usually traveled road from the residence of the ~~pupil~~ *student*;
30 or

31 (B) the residence of the ~~pupil~~ *student* is outside the corporate limits of
32 a city, the school building attended is inside the corporate limits of a city
33 and the school building attended is more than 2½ miles by the usually
34 traveled road from the residence of the ~~pupil~~ *student*; or

35 (C) the residence of the ~~pupil~~ *student* is inside the corporate limits of
36 one city, the school building attended is inside the corporate limits of a
37 different city and the school building attended is more than 2½ miles by
38 the usually traveled road from the residence of the ~~pupil~~ *student*.

39 (2) The provisions of this subsection are subject to the provisions of
40 subsections (c) and (d).

41 (c) The board of education of every school district is authorized to
42 adopt rules and regulations to govern the conduct, control and discipline of
43 all ~~pupils~~ *students* while being transported in school buses. The board may

1 suspend or revoke the transportation privilege or entitlement of any ~~pupil~~
2 *student* who violates any rules and regulations adopted by the board-under
3 authority of this subsection.

4 (d) The board of education of every school district may suspend or
5 revoke the transportation privilege or entitlement of any ~~pupil~~ *student* who
6 is detained at school at the conclusion of the school day for violation of
7 any rules and regulations governing ~~pupil~~ *student* conduct or for
8 disobedience of an order of a teacher or other school authority. Suspension
9 or revocation of the transportation privilege or entitlement of any ~~pupil~~
10 *student* specified in this subsection shall be limited to the school day or
11 days on which the ~~pupil~~ *student* is detained at school. The provisions of
12 this subsection do not apply to any ~~pupil~~ *student* who has been determined
13 to be an exceptional child, except gifted children, under the provisions of
14 the special education for exceptional children act.

15 (e) (1) Subject to the limitations specified in this subsection, the
16 board of education of any school district may prescribe and collect fees to
17 offset, totally or in part, the costs incurred for the provision or furnishing
18 of transportation for ~~pupils~~ *students*. The limitations which apply to the
19 authorization granted by this subsection are as follows:

20 (A) Fees for the provision or furnishing of transportation for ~~pupils~~
21 *students* shall be prescribed and collected only to recover the costs
22 incurred as a result of and directly attributable to the provision or
23 furnishing of transportation for ~~pupils~~ *students* and only to the extent that
24 such costs are not reimbursed from any other source provided by law;

25 (B) fees for the provision or furnishing of transportation may not be
26 assessed against or collected from any ~~pupil~~ *student who is counted in*
27 *determining the transportation weighting of the school district under the*
28 *Kansas school equity and enhancement act, section 3 et seq., and*
29 *amendments thereto, or any student* who is determined to be a child with
30 disabilities under the provisions of the special education for exceptional
31 children act or any ~~pupil~~ *student* who is eligible for free or reduced price
32 meals under the national school lunch act or any ~~pupil~~ *student* who is
33 entitled to transportation under the provisions of K.S.A. 72-8306(a), and
34 amendments thereto, and who resides 2½ miles or more by the regular
35 route of a school bus from the school attended;

36 (C) fees for the provision or furnishing of transportation for ~~pupils~~
37 *students* in accordance with the provisions of an agreement entered-into
38 under authority of K.S.A. 72-8233 or 72-8307, and amendments thereto,
39 shall be controlled by the provisions of the agreement.

40 (2) All moneys received by a school district from fees collected under
41 this subsection shall be deposited in the general fund of the district.

42 Sec. 83. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as
43 follows: 72-8309. (a) The board of education of a school district shall not

1 furnish or provide transportation for ~~pupils~~ or students who reside in
2 another school district except in accordance with the written consent of the
3 board of education of the school district in which such ~~pupil~~ or student
4 resides, or in accordance with an order issued by a board of education
5 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in
6 accordance with the provisions of an agreement entered into under
7 authority of K.S.A. 72-8233, and amendments thereto.

8 (b) A school district may transport a nonresident ~~pupil~~ or student if
9 such ~~pupil~~ or student boards the school bus within the boundaries or on the
10 boundary of the transporting school district. To the extent that the
11 provisions of this subsection conflict with the provisions of subsection (a),
12 the provisions of subsection (a) shall control.

13 (c) *No student who is furnished or provided transportation by a*
14 *school district that is not the school district in which the student resides*
15 *shall be counted in the computation of the school district's transportation*
16 *weighting under the Kansas school equity and enhancement act, section 3*
17 *et seq., and amendments thereto.*

18 Sec. 84. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as
19 follows: 72-8316. (a) Any board of education, pursuant to a policy
20 developed and adopted by it, may provide for the use of district-owned or
21 leased school buses when such buses are not being used for regularly
22 required school purposes. The policy may provide for:

23 (1) (A) Transporting parents and other adults to or from school-
24 related functions or activities; (B) transporting ~~pupils~~ *students* to or from
25 functions or activities sponsored by organizations, the membership of
26 which is principally composed of children of school age; and (C)
27 transporting persons engaged in field trips in connection with their
28 participation in an adult education program maintained by the transporting
29 school district or by any other school district, within or outside the
30 boundaries of the transporting school district; and

31 (2) contracting with: (A) The governing body of any township, city or
32 county for transportation of individuals, groups or organizations; (B) the
33 governing authority of any nonpublic school for transportation of ~~pupils~~
34 *students* attending such nonpublic school to or from interschool or
35 intraschool functions or activities; (C) the board of trustees of any
36 community college for transportation of students enrolled in such
37 community college to or from attendance at class at the community college
38 or to and from functions or activities of the community college; (D) a
39 public recreation commission established and operated under the laws of
40 this state, for any purposes related to the operation of the recreation
41 commission and all programs and services thereof; (E) the board of
42 education of any other school district for transportation, on a cooperative
43 and shared-cost basis, of ~~pupils~~ *students*, school personnel, parents and

1 other adults to or from school-related functions or activities; or (F) a four-
2 year college or university, area vocational school or area vocational-
3 technical school for transportation of students to or from attendance at
4 class at the four-year college or university, area vocational school or area
5 vocational-technical school or for transportation of students, alumni and
6 other members of the public to or from functions or activities of the four-
7 year college or university, area vocational school or area vocational-
8 technical school.

9 (b) *The costs related to the use of school buses under the authority of*
10 *this section shall not be considered in determining the transportation*
11 *weighting of a school district under the Kansas school equity and*
12 *enhancement act, section 3 et seq., and amendments thereto.*

13 (b) (c) Transportation fees may be charged by the board to offset,
14 totally or in part, the costs incurred for the use of school buses under
15 authority of this section.

16 (e) (d) Any revenues received by a board of education as
17 transportation fees or under any contract entered into pursuant to this
18 section shall be deposited in the general fund of the school district and
19 shall be considered reimbursements to the school district for the purpose of
20 ~~the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
21 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq., and*
22 *amendments thereto. Such revenues may be expended whether the same*
23 *have been budgeted or not.*

24 (d) (e) The provisions of K.S.A. 8-1556(c), and amendments thereto,
25 apply to the use of school buses under authority of this section.

26 Sec. 85. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as
27 follows: 72-8415b. (a) Any school district that elects to become a self-
28 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,
29 may transfer moneys from its general fund to the special reserve fund of
30 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 42, and*
31 *amendments thereto.*

32 (b) Any community college that elects to become a self-insurer under
33 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer
34 such amounts from its general fund to the health care services reserve fund
35 or the disability income benefits reserve fund, or the group life benefit
36 reserve fund, or all three, as may be deemed necessary to meet the cost of
37 health care services or disability income benefits, or group life insurance
38 claims, whichever is applicable.

39 Sec. 86. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as
40 follows: 72-8801. (a) The board of education of any school district may
41 make an annual tax levy at a mill rate not to exceed the statutorily
42 prescribed mill rate upon the taxable tangible property in the school
43 district for the purposes specified in this act and, *with respect to any*

1 *redevelopment district established prior to July 1, 2017, pursuant to*
2 *K.S.A. 12-1771, and amendments thereto, for the purpose of paying a*
3 *portion of the principal and interest on bonds issued by cities under the*
4 *authority of K.S.A. 12-1774, and amendments thereto, for the financing of*
5 *redevelopment projects upon property located within the school district.*
6 *No levy shall be made under this act until a resolution is adopted by the*
7 *board of education in the following form:*

8 Unified School District No. _____,
9 _____ County, Kansas.

10 RESOLUTION

11 Be It Resolved that:

12 The above-named school board shall be authorized to make an annual
13 tax levy ~~for a period not to exceed _____ years~~ in an amount not to
14 exceed _____ mills upon the taxable tangible property in the school
15 district for the purpose of acquisition, construction, reconstruction, repair,
16 remodeling, additions to, furnishing, maintaining and equipping of school
17 district property and equipment necessary for school district purposes,
18 including: (1) ~~Acquisition of~~ Computer software; (2) ~~acquisition of~~
19 ~~performance uniforms~~; (3) housing and boarding pupils enrolled in an area
20 vocational school operated under the board; (4) architectural expenses; (5)
21 ~~acquisition of~~ building sites; (6) undertaking and maintenance of asbestos
22 control projects; (7) ~~acquisition of~~ school buses; (8) *utility expenses*; (9)
23 *property and casualty insurance*; and (8) ~~acquisition of~~ (10) other fixed
24 assets, and *with respect to any redevelopment district established prior to*
25 *July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the*
26 *purpose of paying a portion of the principal and interest on bonds issued*
27 *by cities under the authority of K.S.A. 12-1774, and amendments thereto,*
28 *for the financing of redevelopment projects upon property located within*
29 *the school district. The tax levy authorized by this resolution may be made,*
30 *unless a petition in opposition to the same, signed by not less than 10%*
31 *of the qualified electors of the school district, is filed with the county election*
32 *officer of the home county of the school district within 40 calendar days*
33 *after the last publication of this resolution. In the event a petition is filed,*
34 *the county election officer shall submit the question of whether the tax*
35 *levy shall be authorized to the electors in the school district at an election*
36 *called for that purpose or at the next general election, as is specified by the*
37 *board of education of the above school district.*

38 CERTIFICATE

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

42 _____
43 Clerk of the board of education.

1 All of the blanks in the above resolution shall be appropriately filled.
2 The blank preceding the word ~~"years"~~ shall be filled with a specific
3 ~~number, and the blank preceding the word "mills"~~ shall be filled with a
4 specific number, ~~and no word shall be inserted in either of the blanks.~~ The
5 resolution shall be published once a week for two consecutive weeks in a
6 newspaper having general circulation in the school district. If no petition
7 as specified above is filed in accordance with the provisions of the
8 resolution, the board of education may make the tax levy specified in the
9 resolution. If a petition is filed as provided in the resolution, the board of
10 education may notify the county election officer of the date of an election
11 to be held to submit the question of whether the tax levy shall be
12 authorized. If the board of education fails to notify the county election
13 officer within 60 calendar days after a petition is filed, the resolution shall
14 be deemed abandoned and no like resolution shall be adopted by the board
15 of education within the nine months following the first publication of the
16 resolution.

17 (b) As used in this act:

18 (1) "Unconditionally authorized to make a capital outlay tax levy"
19 means that the school district has adopted a resolution under this section,
20 has published the same, and either that the resolution was not protested or
21 that it was protested and an election has been held by which the tax levy
22 specified in the resolution was approved;

23 (2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the
24 mill levy rate in excess of eight mills if the resolution fixing such rate was
25 approved at an election prior to the effective date of this act; or (C) the
26 mill levy rate in excess of eight mills if no petition or no sufficient petition
27 was filed in protest to a resolution fixing such rate in excess of eight mills
28 and the protest period for filing such petition has expired;

29 (3) "asbestos control project" means any activity which is necessary
30 or incidental to the control of asbestos-containing material in buildings of
31 school districts and includes, but not by way of limitation, any activity
32 undertaken for the removal or encapsulation of asbestos-containing
33 material, for any remodeling, renovation, replacement, rehabilitation or
34 other restoration necessitated by such removal or encapsulation, for
35 conducting inspections, reinspections and periodic surveillance of
36 buildings, performing response actions, and developing, implementing and
37 updating operations and maintenance programs and management plans;

38 (4) "asbestos" means the asbestiform varieties of chrysotile
39 (serpentine), crocidolite (riebeckite), amosite (cummingtonitegrunerite),
40 anthophyllite, tremolite, and actinolite; and

41 (5) "asbestos-containing material" means any material or product
42 which contains more than 1% asbestos.

43 Sec. 87. K.S.A. 72-8803 is hereby amended to read as follows: 72-

1 8803. There is hereby established in every school district of the state a
2 fund which shall be called the capital outlay fund. The capital outlay fund
3 shall consist of all moneys deposited therein or transferred thereto in
4 accordance with law. The proceeds of any tax levied under article 88 of
5 chapter 72 of Kansas Statutes Annotated, *and amendments thereto, shall*
6 *be deposited in the capital outlay fund of the school district making such*
7 *levy*, except for an amount to pay a portion of the principal and interest on
8 bonds issued by cities under the authority of K.S.A. 12-1774, and
9 amendments thereto, for the financing of redevelopment projects upon
10 property located within the school district, ~~shall be deposited in the capital~~
11 ~~outlay fund of the school district making such levy with respect to any~~
12 ~~redevelopment district established prior to July 1, 2017, pursuant to K.S.A.~~
13 ~~12-1771, and amendments thereto.~~

14 Sec. 88. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as
15 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school
16 district and any moneys received from issuance of bonds under K.S.A. 72-
17 8805 or 72-8810, and amendments thereto, may be used for the purpose of
18 the acquisition, construction, reconstruction, repair, remodeling, additions
19 to, furnishing, maintaining and equipping of school district property and
20 equipment necessary for school district purposes, including: (1)
21 ~~Acquisition of Computer software; (2) acquisition of performance~~
22 ~~uniforms; (3) housing and boarding pupils enrolled in an area vocational~~
23 ~~school operated under the board of education; (4) architectural expenses;~~
24 ~~(5) acquisition of building sites; (6) undertaking and maintenance of~~
25 ~~asbestos control projects; (7) acquisition of school buses; (8) utility~~
26 ~~expenses; (9) property and casualty insurance; and (8) acquisition of (10)~~
27 ~~other fixed assets, and, for school years 2015-2016 and 2016-2017, subject~~
28 ~~to the provisions of K.S.A. 2016 Supp. 72-6478, and amendments thereto,~~
29 ~~may be transferred to the general fund of the school district as approved by~~
30 ~~the board of education.~~

31 (b) The board of education of any school district is hereby authorized
32 to invest any portion of the capital outlay fund of the school district which
33 is not currently needed in investments authorized by K.S.A. 12-1675, and
34 amendments thereto, in the manner prescribed therein, or may invest the
35 same in direct obligations of the United States government maturing or
36 redeemable at par and accrued interest within three years from date of
37 purchase, the principal and interest whereof is guaranteed by the
38 government of the United States. All interest received on any such
39 investment shall upon receipt thereof be credited to the capital outlay fund.

40 Sec. 89. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as
41 follows: 72-8908. As used in this act:

- 42 (a) "Juvenile" means a person who is less than 18 years of age;
43 (b) "adult" means a person who is 18 years of age or older;

1 (c) "felony" means any crime designated a felony by the laws of
2 Kansas or the United States;

3 (d) "misdemeanor" means any crime designated a misdemeanor by
4 the laws of Kansas or the United States;

5 (e) "school day" means any day on which school is maintained;

6 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016~~
7 ~~Supp. 72-6464~~ section 4, and amendments thereto;

8 (g) "counsel" means any person a pupil selects to represent and
9 advise the pupil at all proceedings conducted pursuant to the provisions of
10 this act; and

11 (h) "principal witness" means any witness whose testimony is of
12 major importance in support of the charges upon which a proposed
13 suspension or expulsion from school is based, or in determination of
14 material questions of fact.

15 Sec. 90. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as
16 follows: 72-9509. (a) There is hereby established in every school district a
17 fund which shall be called the bilingual education fund, which fund shall
18 consist of all moneys deposited therein or transferred thereto according to
19 law. ~~Amounts deposited in the bilingual education fund may be used for~~
20 ~~the payment of expenses directly attributable to bilingual education or may~~
21 ~~be transferred to the general fund of the school district as approved by the~~
22 ~~board of education. The expenses of a school district directly attributable~~
23 ~~to such bilingual education programs shall be paid from the bilingual~~
24 ~~education fund. Moneys deposited in or otherwise transferred to the~~
25 ~~bilingual education fund shall only be expended for those costs directly~~
26 ~~attributable to the provision of bilingual education programs.~~

27 (b) Any balance remaining in the bilingual education fund at the end
28 of the budget year shall be carried forward into the bilingual education
29 fund for succeeding budget years. Such fund shall not be subject to the
30 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
31 In preparing the budget of such school district, the amounts credited to and
32 the amount on hand in the bilingual education fund, and the amount
33 expended therefrom shall be included in the annual budget for the
34 information of the residents of the school district. ~~Interest earned on the~~
35 ~~investment of moneys in any such fund shall be credited to that fund.~~

36 (c) Each year the board of education of each school district shall
37 prepare and submit to the state board a report on the bilingual education
38 program and assistance provided by the district. Such report shall include
39 information specifying the number of pupils who were served or provided
40 assistance, the type of service provided, the research upon which the
41 district relied in determining that a need for service or assistance existed,
42 the results of providing such service or assistance and any other
43 information required by the state board.

1 Sec. 91. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as
2 follows: 72-9609. There is hereby established in every school district a
3 fund which shall be called the professional development fund, which fund
4 shall consist of all moneys deposited therein or transferred thereto
5 according to law. All moneys received by the school district from whatever
6 source for professional development programs established under this act
7 shall be credited to the fund established by this section. ~~Amounts deposited~~
8 ~~in the professional development fund may be used for the payment of~~
9 ~~expenses directly attributable to professional development or may be~~
10 ~~transferred to the general fund of the school district as approved by the~~
11 ~~board of education~~ *The expenses of a school district directly attributable*
12 *to professional development programs shall be paid from the professional*
13 *development fund.*

14 Sec. 92. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as
15 follows: 72-99a02. As used in the tax credit for low income students
16 scholarship program act:

17 (a) "Contributions" means monetary gifts or donations and in-kind
18 contributions, gifts or donations that have an established market value.

19 (b) "Department" means the Kansas department of revenue.

20 (c) "Educational scholarship" means an amount not to exceed \$8,000
21 per school year provided to an eligible student, or to a qualified school
22 with respect to an eligible student, to cover all or a portion of the costs of
23 education including tuition, fees and expenses of a qualified school and, if
24 applicable, the costs of transportation to a qualified school if provided by
25 such qualified school.

26 (d) "Eligible student" means a child who:

27 (1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,
28 prior to its repeal, and who is attending a public school; or (B) has been
29 eligible to receive an educational scholarship under this program and has
30 not graduated from high school or reached 21 years of age;

31 (2) resides in Kansas while eligible for an educational scholarship;
32 and

33 (3) (A) was enrolled in any public school in the previous school year
34 in which an educational scholarship is first sought for the child; or (B) is
35 eligible to be enrolled in any public school in the school year in which an
36 educational scholarship is first sought for the child and the child is under
37 the age of six years.

38 (e) "Parent" includes a guardian, custodian or other person with
39 authority to act on behalf of the child.

40 (f) "Program" means the tax credit for low income students
41 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
42 72-99a07, and amendments thereto.

43 (g) "Public school" means a school that would qualify as either a title

1 I focus school or a title I priority school as described by the state board
2 under the elementary and secondary education act flexibility waiver as
3 amended in January 2013 and is operated by a school district.

4 (h) "Qualified school" means any nonpublic school that provides
5 education to elementary or secondary students, has notified the state board
6 of its intention to participate in the program and complies with the
7 requirements of the program.

8 (i) "Scholarship granting organization" means an organization that
9 complies with the requirements of this program and provides educational
10 scholarships to eligible students or to qualified schools in which parents
11 have enrolled eligible students.

12 (j) "School district" or "district" means any unified school district
13 organized and operating under the laws of this state.

14 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~
15 ~~2016 Supp. 72-6464 section 4~~, and amendments thereto.

16 (l) "Secretary" means the secretary of revenue.

17 (m) "State board" means the state board of education.

18 Sec. 93. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as
19 amended by section 92 of this act, is hereby amended to read as follows:
20 72-99a02. As used in the tax credit for low income students scholarship
21 program act:

22 (a) "Contributions" means monetary gifts or donations and in-kind
23 contributions, gifts or donations that have an established market value.

24 (b) "Department" means the Kansas department of revenue.

25 (c) "Educational scholarship" means an amount not to exceed \$8,000
26 per school year provided to an eligible student, or to a qualified school
27 with respect to an eligible student, to cover all or a portion of the costs of
28 education including tuition, fees and expenses of a qualified school and, if
29 applicable, the costs of transportation to a qualified school if provided by
30 such qualified school.

31 (d) "Eligible student" means a child who:

32 (1) ~~(A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,~~
33 ~~prior to its repeal. Is an at-risk student, as defined in section 4, and~~
34 ~~amendments thereto, and who is attending a public school; or (B) has been~~
35 ~~eligible to receive an educational scholarship under this program and has~~
36 ~~not graduated from high school or reached 21 years of age;~~

37 (2) resides in Kansas while eligible for an educational scholarship;
38 and

39 (3) (A) was enrolled in any public school in the previous school year
40 in which an educational scholarship is first sought for the child; or (B) is
41 eligible to be enrolled in any public school in the school year in which an
42 educational scholarship is first sought for the child and the child is under
43 the age of six years.

1 (e) "Parent" includes a guardian, custodian or other person with
2 authority to act on behalf of the child.

3 (f) "Program" means the tax credit for low income students
4 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
5 72-99a07, and amendments thereto.

6 (g) "Public school" means a school that ~~would qualify as either a title~~
7 ~~I-focus school or a title I priority school as described by the state board~~
8 ~~under the elementary and secondary education act flexibility waiver as~~
9 ~~amended in January 2013 and is operated by a school district, and~~
10 *identified by the state board as one of the lowest 100 performing schools*
11 *with respect to student achievement among all schools operated by school*
12 *districts for the current school year.*

13 (h) "Qualified school" means any nonpublic school that provides
14 education to elementary or secondary students, has notified the state board
15 of its intention to participate in the program and complies with the
16 requirements of the program. *On and after July 1, 2020, a qualified school*
17 *shall be accredited by the state board or a national or regional accrediting*
18 *agency that is recognized by the state board.*

19 (i) "Scholarship granting organization" means an organization that
20 complies with the requirements of this program and provides educational
21 scholarships to eligible students or to qualified schools in which parents
22 have enrolled eligible students.

23 (j) "School district" or "district" means any unified school district
24 organized and operating under the laws of this state.

25 (k) "School year" shall have the meaning ascribed thereto in section
26 4, and amendments thereto.

27 (l) "Secretary" means the secretary of revenue.

28 (m) "State board" means the state board of education.

29 Sec. 94. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a04 is
30 hereby amended to read as follows: 72-99a04. (a) To be eligible to
31 participate in the program, a scholarship granting organization shall
32 comply with the following:

33 (1) The scholarship granting organization shall notify the secretary
34 and the state board of the scholarship granting organization's intent to
35 provide educational scholarships;

36 (2) upon granting an educational scholarship, the scholarship granting
37 organization shall report such information to the state board;

38 (3) the scholarship granting organization shall provide verification to
39 the secretary that the scholarship granting organization is exempt from
40 federal income taxation pursuant to section 501(c)(3) of the federal
41 internal revenue code of 1986;

42 (4) upon receipt of contributions in an aggregate amount or value in
43 excess of \$50,000 during a school year, a scholarship granting

1 organization shall file with the state board either:

2 (A) A surety bond payable to the state in an amount equal to the
3 aggregate amount of contributions expected to be received during the
4 school year; or

5 (B) financial information demonstrating the scholarship granting
6 organization's ability to pay an aggregate amount equal to the amount of
7 the contributions expected to be received during the school year, which
8 must be reviewed and approved of in writing by the state board;

9 (5) scholarship granting organizations that provide other nonprofit
10 services in addition to providing educational scholarships shall not
11 commingle contributions made under the program with other contributions
12 made to such organization. A scholarship granting organization under this
13 subsection shall also file with the state board, prior to the commencement
14 of each school year, either:

15 (A) A surety bond payable to the state in an amount equal to the
16 aggregate amount of contributions expected to be received during the
17 school year; or

18 (B) financial information demonstrating the nonprofit organization's
19 ability to pay an aggregate amount equal to the amount of the
20 contributions expected to be received during the school year, which must
21 be reviewed and approved of in writing by the state board;

22 (6) each qualified school receiving educational scholarships from the
23 scholarship granting organization shall annually certify to the scholarship
24 granting organization its compliance with the requirements of the program;

25 (7) at the end of the calendar year, the scholarship granting
26 organization shall have its accounts examined and audited by a certified
27 public accountant. Such audit shall include, but not be limited to,
28 information verifying that the educational scholarships awarded by the
29 scholarship granting organization were distributed to qualified schools
30 with respect to eligible students determined by the state board under
31 K.S.A. 2016 Supp. 72-99a03(c), and amendments thereto, and information
32 specified in this section. Prior to filing a copy of the audit with the state
33 board, such audit shall be duly verified and certified by a certified public
34 accountant; and

35 (8) if a scholarship granting organization decides to limit the number
36 or type of qualified schools who will receive educational scholarships, the
37 scholarship granting organization shall provide, in writing, the name or
38 names of those qualified schools to any contributor and the state board.

39 (b) *A scholarship granting organization shall award at least 50% of*
40 *all education scholarships in a school year to eligible students who are*
41 *certified by the department for children and families as a member of a*
42 *family whose household income does not exceed 130% of the federal*
43 *poverty level established under the most recent poverty income guidelines*

1 *published in the calendar year by the United States department of health*
2 *and human services.*

3 ~~(b)~~ (c) No scholarship granting organization shall provide an
4 educational scholarship with respect to any eligible student to attend any
5 qualified school with paid staff or paid board members, or relatives
6 thereof, in common with the scholarship granting organization.

7 ~~(e)~~ (d) The scholarship granting organization shall disburse not less
8 than 90% of contributions received pursuant to the program in the form of
9 educational scholarships within 36 months of receipt of such contributions.
10 If such contributions have not been disbursed within the applicable 36-
11 month time period, then the scholarship granting organization shall not
12 accept new contributions until 90% of the received contributions have
13 been disbursed in the form of educational scholarships. Any income earned
14 from contributions must be disbursed in the form of educational
15 scholarships.

16 ~~(d)~~ (e) A scholarship granting organization may continue to provide
17 an educational scholarship with respect to a student who was an eligible
18 student in the year immediately preceding the current school year.

19 ~~(e)~~ (f) A scholarship granting organization shall direct payments of
20 educational scholarships to the qualified school attended by the eligible
21 student or in which the eligible student is enrolled. Payment may be made
22 by check made payable to both the parent and the qualified school or to
23 only the qualified school. If an eligible student transfers to a new qualified
24 school during a school year, the scholarship granting organization shall
25 direct payment in a prorated amount to the original qualified school and
26 the new qualified school based on the eligible student's attendance. If the
27 eligible student transfers to a public school and enrolls in such public
28 school after September 20 of the current school year, the scholarship
29 granting organization shall direct payment in a prorated amount to the
30 original qualified school and the public school based on the eligible
31 student's attendance. The prorated amount to the public school shall be
32 considered a donation and shall be paid to the school district of such public
33 school in accordance with K.S.A. 72-8210, and amendments thereto.

34 ~~(f)~~ (g) By June 1 of each year, a scholarship granting organization
35 shall submit a report to the state board for the educational scholarships
36 provided in the immediately preceding 12 months. Such report shall be in
37 a form and manner as prescribed by the state board, approved and signed
38 by a certified public accountant, and shall contain the following
39 information:

40 (1) The name and address of the scholarship granting organization;

41 (2) the name and address of each eligible student with respect to
42 whom an educational scholarship was awarded by the scholarship granting
43 organization;

1 (3) the total number and total dollar amount of contributions received
2 during the 12-month reporting period; and

3 (4) the total number and total dollar amount of educational
4 scholarships awarded during the 12-month reporting period and the total
5 number and total dollar amount of educational scholarships awarded
6 during the 12-month reporting period with respect to eligible students who
7 qualified under K.S.A. 2016 Supp. 72-99a02(d), and amendments thereto.

8 ~~(g)~~ (h) No scholarship granting organization shall:

9 (1) Provide an educational scholarship with respect to an eligible
10 student that is established by funding from any contributions made by any
11 relative of such eligible student; or

12 (2) accept a contribution from any source with the express or implied
13 condition that such contribution be directed toward an educational
14 scholarship for a particular eligible student.

15 Sec. 95. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as
16 follows: 74-4939a. On and after the effective date of this act for each fiscal
17 year commencing with fiscal year 2005, notwithstanding the provisions of
18 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys
19 appropriated for the department of education from the state general fund
20 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,
21 by appropriation act of the legislature, in the KPERS — employer
22 contributions account and all moneys appropriated for the department of
23 education from the state general fund or any special revenue fund for each
24 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year
25 thereafter, by any such appropriation act in that account or any other
26 account for payment of employer contributions for school districts, shall
27 be distributed by the department of education to school districts in
28 accordance with this section. Notwithstanding the provisions of K.S.A. 74-
29 4939, and amendments thereto, ~~for school year 2015-2016,~~ the department
30 of education shall disburse to each school district that is an eligible
31 employer as specified in K.S.A. 74-4931(1), and amendments thereto, an
32 amount ~~in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~
33 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~
34 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~
35 ~~of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,~~
36 ~~the department of education shall disburse to each school district that is an~~
37 ~~eligible employer as specified in K.S.A. 74-4931(1), and amendments~~
38 ~~thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),~~
39 ~~and amendments thereto, which shall be disbursed pursuant to K.S.A.~~
40 ~~2016 Supp. 72-6465, and amendments thereto~~ *certified by the board of*
41 *trustees of the Kansas public employees retirement system that is equal to*
42 *the participating employer's obligation of such school district to the*
43 *system in accordance with policies and procedures that are hereby*

1 *authorized and directed to be adopted by the state board of education for*
2 *the purposes of this section and in accordance with any requirements*
3 *prescribed by the board of trustees of the Kansas public employees*
4 *retirement system.* Upon receipt of each such disbursement of moneys, the
5 school district shall deposit the entire amount thereof into a special
6 retirement contributions fund of the school district, which shall be
7 established by the school district in accordance with such policies and
8 procedures and which shall be used for the sole purpose of receiving such
9 disbursements from the department of education and making the
10 remittances to the system in accordance with this section and such policies
11 and procedures. Upon receipt of each such disbursement of moneys from
12 the department of education, the school district shall remit, in accordance
13 with the provisions of such policies and procedures and in the manner and
14 on the date or dates prescribed by the board of trustees of the Kansas
15 public employees retirement system, an equal amount to the Kansas public
16 employees retirement system from the special retirement contributions
17 fund of the school district to satisfy such school district's obligation as a
18 participating employer. Notwithstanding the provisions of K.S.A. 74-4939,
19 and amendments thereto, each school district that is an eligible employer
20 as specified in K.S.A. 74-4931(1), and amendments thereto, shall show
21 within the budget of such school district all amounts received from
22 disbursements into the special retirement contributions fund of such school
23 district. Notwithstanding the provisions of any other statute, no official
24 action of the school board of such school district shall be required to
25 approve a remittance to the system in accordance with this section and
26 such policies and procedures. All remittances of moneys to the system by a
27 school district in accordance with this subsection and such policies and
28 procedures shall be deemed to be expenditures of the school district.

29 Sec. 96. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as
30 follows: 74-8925. (a) For the purposes of this act, the term "taxing
31 subdivision" shall include the county, the city, the unified school district
32 and any other taxing subdivision levying real property taxes, the territory
33 or jurisdiction of which includes any currently existing or subsequently
34 created redevelopment district. The term "real property taxes" includes all
35 taxes levied on an ad valorem basis upon land and improvements thereon,
36 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~
37 ~~2016 Supp. 72-6470~~ *section 14*, and amendments thereto, or any other
38 property tax levied by or on behalf of a school district.

39 (b) All tangible taxable property located within a redevelopment
40 district shall be assessed and taxed for ad valorem tax purposes pursuant to
41 law in the same manner that such property would be assessed and taxed if
42 located outside such district, and all ad valorem taxes levied on such
43 property shall be paid to and collected by the county treasurer in the same

1 manner as other taxes are paid and collected. Except as otherwise provided
2 in this section, the county treasurer shall distribute such taxes as may be
3 collected in the same manner as if such property were located outside a
4 redevelopment district. Each redevelopment district established under the
5 provisions of this act shall constitute a separate taxing unit for the purpose
6 of the computation and levy of taxes.

7 (c) Beginning with the first payment of taxes which are levied
8 following the date of approval of any redevelopment district established
9 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes
10 received by the county treasurer resulting from taxes which are levied
11 subject to the provisions of this act by and for the benefit of a taxing
12 subdivision, as herein defined, on property located within such
13 redevelopment district constituting a separate taxing unit under the
14 provisions of this section, shall be divided as follows:

15 (1) From the taxes levied each year subject to the provisions of this
16 act by or for each of the taxing subdivisions upon property located within a
17 redevelopment district constituting a separate taxing unit under the
18 provisions of this act, the county treasurer first shall allocate and pay to
19 each such taxing subdivision all of the real property taxes collected which
20 are produced from that portion of the current assessed valuation of such
21 real property located within such separate taxing unit which is equal to the
22 total assessed value of such real property on the date of the establishment
23 of the redevelopment district.

24 (2) Any real property taxes produced from that portion of the current
25 assessed valuation of real property within the redevelopment district
26 constituting a separate taxing unit under the provisions of this section in
27 excess of an amount equal to the total assessed value of such real property
28 on the effective date of the establishment of the district shall be allocated
29 and paid by the county treasurer according to specified percentages of the
30 tax increment expressly agreed upon and consented to by the governing
31 bodies of the county and school district in which the redevelopment
32 district is located. The amount of the real property taxes allocated and
33 payable to the authority under the agreement shall be paid by the county
34 treasurer to the treasurer of the state. The remaining amount of the real
35 property taxes not payable to the authority shall be allocated and paid in
36 the same manner as other ad valorem taxes. Any real property taxes paid to
37 the state treasurer under this section shall be deposited in the
38 redevelopment bond finance fund of the authority which is created
39 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of
40 any approved redevelopment project, including the payment of principal of
41 and interest on any bonds issued by the authority to finance, in whole or in
42 part, such project. When such bonds and interest thereon have been paid,
43 all moneys thereafter received from real property taxes within such

1 redevelopment district shall be allocated and paid to the respective taxing
2 subdivisions in the same manner as are other ad valorem taxes. If such
3 bonds and interest thereon have been paid before the completion of a
4 project, the authority may continue to use such moneys for any purpose
5 authorized by the redevelopment agreement until such time as the project
6 costs are paid or reimbursed, but for a period not to exceed the final
7 scheduled maturity of the bonds.

8 (d) In any redevelopment plan or in the proceedings for the issuing of
9 any bonds by the authority to finance a project, the property tax increment
10 portion of taxes provided for in subsection (c)(2) may be irrevocably
11 pledged for the payment of the principal of and interest on such bonds. The
12 authority may adopt a redevelopment plan in which only a specified
13 percentage of the tax increment realized from taxpayers in the
14 redevelopment district is pledged to the payment of costs.

15 Sec. 97. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as
16 follows: 74-99b43. (a) The Kansas development finance authority is
17 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-
18 8901 et seq., and amendments thereto, in one or more series to finance the
19 undertaking of any bioscience development project in accordance with the
20 provisions of this act. No special obligation bonds may be issued pursuant
21 to this section unless the Kansas development finance authority has
22 received a resolution of the board of the authority requesting the issuance
23 of such bonds. Such special obligation bonds shall be made payable, both
24 as to principal and interest from one or more of the following, as directed
25 by the authority:

26 (1) From ad valorem tax increments allocated to, and paid into the
27 bioscience development bond fund for the payment of the project costs of
28 a bioscience development project under the provisions of this section;

29 (2) from any private sources, contributions or other financial
30 assistance from the state or federal government;

31 (3) from a pledge of a portion or all of the revenue received from
32 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et
33 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments
34 thereto, and which are collected from taxpayers doing business within that
35 portion of the bioscience development district and paid into the bioscience
36 development bond fund;

37 (4) from a pledge of a portion or all increased revenue received by
38 any city from franchise fees collected from utilities and other businesses
39 using public right-of-way within the bioscience development district; or

40 (5) by any combination of these methods.

41 (b) All tangible taxable property located within a bioscience
42 development district shall be assessed and taxed for ad valorem tax
43 purposes pursuant to law in the same manner that such property would be

1 assessed and taxed if located outside such district, and all ad valorem taxes
2 levied on such property shall be paid to and collected by the county
3 treasurer in the same manner as other taxes are paid and collected. Except
4 as otherwise provided in this section, the county treasurer shall distribute
5 such taxes as may be collected in the same manner as if such property
6 were located outside a bioscience development district. Each bioscience
7 development district established under the provisions of this act shall
8 constitute a separate taxing unit for the purpose of the computation and
9 levy of taxes.

10 (c) Beginning with the first payment of taxes which are levied
11 following the date of the establishment of the bioscience development
12 district real property taxes received by the county treasurer resulting from
13 taxes which are levied subject to the provisions of this act by and for the
14 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,
15 and amendments thereto, on property located within such bioscience
16 development district constituting a separate taxing unit under the
17 provisions of this section, shall be divided as follows:

18 (1) From the taxes levied each year subject to the provisions of this
19 act by or for each of the taxing subdivisions upon property located within a
20 bioscience development district constituting a separate taxing unit under
21 the provisions of this act, the county treasurer first shall allocate and pay to
22 each such taxing subdivision all of the real property taxes collected which
23 are produced from the base year assessed valuation.

24 (2) Any real property taxes, except for property taxes levied for
25 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and
26 amendments thereto, produced from that portion of the current assessed
27 valuation of real property within the bioscience development district
28 constituting a separate taxing unit under the provisions of this section in
29 excess of the base year assessed valuation shall be allocated and paid by
30 the county treasurer to the bioscience development bond fund to pay the
31 bioscience development project costs including the payment of principal
32 and interest on any special obligation bonds to finance, in whole or in part,
33 such bioscience development projects.

34 (d) The authority may pledge the bioscience development bond fund
35 or other available revenue to the repayment of such special obligation
36 bonds prior to, simultaneously with, or subsequent to the issuance of such
37 special obligation bonds.

38 (e) Any bonds issued under the provisions of this act and the interest
39 paid thereon, unless specifically declared to be taxable in the authorizing
40 resolution of the Kansas development finance authority, shall be exempt
41 from all state, county and municipal taxes, and the exemption shall include
42 income, estate and property taxes.

43 Sec. 98. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as

1 follows: 75-2319. (a) There is hereby established in the state treasury the
2 school district capital improvements fund. The fund shall consist of all
3 amounts transferred thereto under the provisions of subsection (c).

4 (b) In each school year, each school district which is obligated to
5 make payments from its capital improvements fund shall be entitled to
6 receive payment from the school district capital improvements fund in an
7 amount determined by the state board of education as provided in this
8 subsection.

9 (1) For general obligation bonds approved for issuance at an election
10 held prior to July 1, 2015, the state board of education shall:

11 (A) Determine the amount of the assessed valuation per pupil (AVPP)
12 of each school district in the state *for the preceding school year* and round
13 such amount to the nearest \$1,000. The rounded amount is the AVPP of a
14 school district for the purposes of this subsection (b)(1);

15 (B) determine the median AVPP of all school districts;

16 (C) prepare a schedule of dollar amounts using the amount of the
17 median AVPP of all school districts as the point of beginning. The
18 schedule of dollar amounts shall range upward in equal \$1,000 intervals
19 from the point of beginning to and including an amount that is equal to the
20 amount of the AVPP of the school district with the highest AVPP of all
21 school districts and shall range downward in equal \$1,000 intervals from
22 the point of beginning to and including an amount that is equal to the
23 amount of the AVPP of the school district with the lowest AVPP of all
24 school districts;

25 (D) determine a state aid percentage factor for each school district by
26 assigning a state aid computation percentage to the amount of the median
27 AVPP shown on the schedule, decreasing the state aid computation
28 percentage assigned to the amount of the median AVPP by one percentage
29 point for each \$1,000 interval above the amount of the median AVPP, and
30 increasing the state aid computation percentage assigned to the amount of
31 the median AVPP by one percentage point for each \$1,000 interval below
32 the amount of the median AVPP. Except as provided by K.S.A. 2016 Supp.
33 75-2319c, and amendments thereto, the state aid percentage factor of a
34 school district is the percentage assigned to the schedule amount that is
35 equal to the amount of the AVPP of the school district. The state aid
36 percentage factor of a school district shall not exceed 100%. The state aid
37 computation percentage is 25%;

38 (E) determine the amount of payments that a school district is
39 obligated to make from its bond and interest fund attributable to general
40 obligation bonds approved for issuance at an election held prior to July 1,
41 2015; and

42 (F) multiply the amount determined under subsection (b)(1)(E) by the
43 applicable state aid percentage factor.

1 (2) For general obligation bonds approved for issuance at an election
2 held on or after July 1, 2015, the state board of education shall:

3 (A) Determine the amount of the AVPP of each school district in the
4 state *for the preceding school year* and round such amount to the nearest
5 \$1,000. The rounded amount is the AVPP of a school district for the
6 purposes of this subsection (b)(2);

7 (B) prepare a schedule of dollar amounts using the amount of the
8 AVPP of the school district with the lowest AVPP of all school districts as
9 the point of beginning. The schedule of dollar amounts shall range upward
10 in equal \$1,000 intervals from the point of beginning to and including an
11 amount that is equal to the amount of the AVPP of the school district with
12 the highest AVPP of all school districts;

13 (C) determine a state aid percentage factor for each school district by
14 assigning a state aid computation percentage to the amount of the lowest
15 AVPP shown on the schedule and decreasing the state aid computation
16 percentage assigned to the amount of the lowest AVPP by one percentage
17 point for each \$1,000 interval above the amount of the lowest AVPP.
18 Except as provided by K.S.A. 2016 Supp. 75-2319c, and amendments
19 thereto, the state aid percentage factor of a school district is the percentage
20 assigned to the schedule amount that is equal to the amount of the AVPP of
21 the school district. The state aid computation percentage is 75%;

22 (D) determine the amount of payments that a school district is
23 obligated to make from its bond and interest fund attributable to general
24 obligation bonds approved for issuance at an election held on or after July
25 1, 2015; and

26 (E) multiply the amount determined under subsection (b)(2)(D) by
27 the applicable state aid percentage factor.

28 (3) For general obligation bonds approved for issuance at an election
29 held on or before June 30, 2016, the sum of the amount determined under
30 subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E)
31 is the amount of payment the school district is entitled to receive from the
32 school district capital improvements fund in the school year.

33 (4) For general obligation bonds approved for issuance at an election
34 held on or after July 1, 2016, the amount determined under subsection (b)
35 (2)(E) is the amount of payment the school district shall receive from the
36 school district capital improvements fund in the school year, except the
37 total amount of payments school districts receive from the school district
38 capital improvements fund in the school year for such bonds shall not
39 exceed the six-year average amount of capital improvement state aid as
40 determined by the state board of education.

41 (A) The state board of education shall determine the six-year average
42 amount of capital improvement state aid by calculating the average of the
43 total amount of moneys expended per year from the school district capital

1 improvements fund in the immediately preceding six fiscal years, not to
2 include the current fiscal year.

3 (B) (i) Subject to clause (ii), the state board of education shall
4 prioritize the allocations to school districts from the school district capital
5 improvements fund in accordance with the priorities set forth as follows in
6 order of highest priority to lowest priority:

7 (a) Safety of the current facility and disability access to such facility
8 as demonstrated by a state fire marshal report, an inspection under the
9 Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar
10 evaluation;

11 (b) enrollment growth and imminent overcrowding as demonstrated
12 by successive increases in enrollment of the school district in the
13 immediately preceding three school years;

14 (c) impact on the delivery of educational services as demonstrated by
15 restrictive inflexible design or limitations on installation of technology;
16 and

17 (d) energy usage and other operational inefficiencies as demonstrated
18 by a district-wide energy usage analysis, district-wide architectural
19 analysis or other similar evaluation.

20 (ii) In allocating capital improvement state aid, the state board shall
21 give higher priority to those school districts with a lower AVPP compared
22 to the other school districts that are to receive capital improvement state
23 aid under this section.

24 (C) On and after July 1, 2016, the state board of education shall
25 approve the amount of state aid payments a school district shall receive
26 from the school district capital improvements fund pursuant to subsection
27 (b)(5) prior to an election to approve the issuance of general obligation
28 bonds.

29 (5) *Except as provided in subsections (b)(6) and (b)(7), the sum of the*
30 *amounts determined under subsection (b)(3) and the amount determined or*
31 *allocated to the district by the state board of education pursuant to*
32 *subsection (b)(4), is the amount of payment the school district is entitled to*
33 *receive from the school district capital improvements fund in the school*
34 *year.*

35 (6) *A school district that had an enrollment of less than 260 students*
36 *in the school year immediately preceding the school year in which an*
37 *election is held to approve the issuance of general obligation bonds shall*
38 *not be entitled to receive payments from the school district capital*
39 *improvements fund unless such school district applied for and receive*
40 *approval from the state board of education to issue such bonds prior to*
41 *holding an election to approve such bond issuance. The provisions of this*
42 *paragraph shall apply to general obligation bonds approved for issuance*
43 *at an election held on or after July 1, 2017, that are issued for the purpose*

1 *of financing the construction of new school facilities.*

2 (7) *For general obligation bonds approved for issuance at an*
3 *election held on or after July 1, 2017, in determining the amount under*
4 *subsection (b)(2)(D), the state board shall exclude payments for any*
5 *capital improvement project, or portion thereof, that proposes to*
6 *construct, reconstruct or remodel a facility that would be used primarily*
7 *for extracurricular activities, unless the construction, reconstruction or*
8 *remodeling of such facility is necessary due to concerns relating to the*
9 *safety of the current facility or disability access to such facility as*
10 *demonstrated by a state fire marshal report, an inspection under the*
11 *Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar*
12 *evaluation.*

13 (c) The state board of education shall certify to the director of
14 accounts and reports the entitlements of school districts determined under
15 the provisions of subsection (b), and an amount equal thereto shall be
16 transferred by the director from the state general fund to the school district
17 capital improvements fund for distribution to school districts. All transfers
18 made in accordance with the provisions of this subsection shall be
19 considered to be demand transfers from the state general fund, except that
20 all such transfers during the fiscal years ending ~~June 30, 2013~~, June 30,
21 ~~2014~~ 2017, June 30, ~~2015~~ 2018, and June 30, ~~2016~~ 2019, shall be
22 considered to be revenue transfers from the state general fund.

23 (d) Payments from the school district capital improvements fund shall
24 be distributed to school districts at times determined by the state board of
25 education to be necessary to assist school districts in making scheduled
26 payments pursuant to contractual bond obligations. The state board of
27 education shall certify to the director of accounts and reports the amount
28 due each school district entitled to payment from the fund, and the director
29 of accounts and reports shall draw a warrant on the state treasurer payable
30 to the treasurer of the school district. Upon receipt of the warrant, the
31 treasurer of the school district shall credit the amount thereof to the bond
32 and interest fund of the school district to be used for the purposes of such
33 fund.

34 (e) The provisions of this section apply only to contractual
35 obligations incurred by school districts pursuant to general obligation
36 bonds issued upon approval of a majority of the qualified electors of the
37 school district voting at an election upon the question of the issuance of
38 such bonds.

39 (f) On or before the first day of the legislative session in 2017, and
40 each year thereafter, the state board of education shall prepare and submit
41 a report to the legislature that includes information on school district
42 elections held on or after July 1, 2016, to approve the issuance of general
43 obligation bonds and the amount of payments school districts were

1 approved to receive from the school district capital improvements fund
2 pursuant to subsection (b)(4)(C).

3 Sec. 99. K.S.A. 2016 Supp. 79-201x is hereby amended to read as
4 follows: 79-201x. For taxable years ~~2015 and 2016~~ *2017 and 2018*, the
5 following described property, to the extent herein specified, shall be and is
6 hereby exempt from the property tax levied pursuant to the provisions of
7 ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto: Property
8 used for residential purposes to the extent of \$20,000 of its appraised
9 valuation.

10 Sec. 100. K.S.A. 2016 Supp. 79-213 is hereby amended to read as
11 follows: 79-213. (a) Any property owner requesting an exemption from the
12 payment of ad valorem property taxes assessed, or to be assessed, against
13 their property shall be required to file an initial request for exemption, on
14 forms approved by the state board of tax appeals and provided by the
15 county appraiser.

16 (b) The initial exemption request shall identify the property for which
17 the exemption is requested and state, in detail, the legal and factual basis
18 for the exemption claimed.

19 (c) The request for exemption shall be filed with the county appraiser
20 of the county where such property is principally located.

21 (d) After a review of the exemption request, and after a preliminary
22 examination of the facts as alleged, the county appraiser shall recommend
23 that the exemption request either be granted or denied, and, if necessary,
24 that a hearing be held. If a denial is recommended, a statement of the
25 controlling facts and law relied upon shall be included on the form.

26 (e) The county appraiser, after making such written recommendation,
27 shall file the request for exemption and the recommendations of the county
28 appraiser with the state board of tax appeals. With regard to a request for
29 exemption from property tax pursuant to the provisions of K.S.A. 79-201g
30 and 82a-409, and amendments thereto, not filed with the board of tax
31 appeals by the county appraiser on or before the effective date of this act,
32 if the county appraiser recommends the exemption request be granted, the
33 exemption shall be provided in the amount recommended by the county
34 appraiser and the county appraiser shall not file the request for exemption
35 and recommendations of the county appraiser with the state board of tax
36 appeals. The county clerk or county assessor shall annually make such
37 adjustment in the taxes levied against the real property as the owner may
38 be entitled to receive under the provisions of K.S.A. 79-201g, and
39 amendments thereto, as recommended by the county appraiser, beginning
40 with the first period, following the date of issue of the certificate of
41 completion on which taxes are regularly levied, and during the years
42 which the landowner is entitled to such adjustment.

43 (f) Upon receipt of the request for exemption, the board shall docket

1 the same and notify the applicant and the county appraiser of such fact.

2 (g) After examination of the request for exemption and the county
3 appraiser's recommendation related thereto, the board may fix a time and
4 place for hearing, and shall notify the applicant and the county appraiser of
5 the time and place so fixed. A request for exemption pursuant to: (1)
6 Section 13 of article 11 of the constitution of the state of Kansas; or (2)
7 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed
8 or purchased, in whole or in part, with the proceeds of revenue bonds
9 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and
10 amendments thereto, prepared in accordance with instructions and
11 assistance which shall be provided by the department of commerce, shall
12 be deemed approved unless scheduled for hearing within 30 days after the
13 date of receipt of all required information and data relating to the request
14 for exemption, and such hearing shall be conducted within 90 days after
15 such date. Such time periods shall be determined without regard to any
16 extension or continuance allowed to either party to such request. In any
17 case where a party to such request for exemption requests a hearing
18 thereon, the same shall be granted. Hearings shall be conducted in
19 accordance with the provisions of the Kansas administrative procedure act.
20 In all instances where the board sets a request for exemption for hearing,
21 the county shall be represented by its county attorney or county counselor.

22 (h) Except as otherwise provided by subsection (g), in the event of a
23 hearing, the same shall be originally set not later than 90 days after the
24 filing of the request for exemption with the board.

25 (i) During the pendency of a request for exemption, no person, firm,
26 unincorporated association, company or corporation charged with real
27 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
28 2004a, and amendments thereto, on the tax books in the hands of the
29 county treasurer shall be required to pay the tax from the date the request
30 is filed with the county appraiser until the expiration of 30 days after the
31 board issued its order thereon and the same becomes a final order. In the
32 event that taxes have been assessed against the subject property, no interest
33 shall accrue on any unpaid tax for the year or years in question nor shall
34 the unpaid tax be considered delinquent from the date the request is filed
35 with the county appraiser until the expiration of 30 days after the board
36 issued its order thereon. In the event the board determines an application
37 for exemption is without merit and filed in bad faith to delay the due date
38 of the tax, the tax shall be considered delinquent as of the date the tax
39 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and
40 amendments thereto, and interest shall accrue as prescribed therein.

41 (j) In the event the board grants the initial request for exemption, the
42 same shall be effective beginning with the date of first exempt use except
43 that, with respect to property the construction of which commenced not to

1 exceed 24 months prior to the date of first exempt use, the same shall be
2 effective beginning with the date of commencement of construction.

3 (k) In conjunction with its authority to grant exemptions, the board
4 shall have the authority to abate all unpaid taxes that have accrued from
5 and since the effective date of the exemption. In the event that taxes have
6 been paid during the period where the subject property has been
7 determined to be exempt, the board shall have the authority to order a
8 refund of taxes for the year immediately preceding the year in which the
9 exemption application is filed in accordance with subsection (a).

10 (l) The provisions of this section shall not apply to: (1) Farm
11 machinery and equipment exempted from ad valorem taxation by K.S.A.
12 79-201j, and amendments thereto; (2) personal property exempted from ad
13 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
14 apparel, household goods and personal effects exempted from ad valorem
15 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
16 property exempted from ad valorem taxation by K.S.A. 79-201d, and
17 amendments thereto; (6) merchants' and manufacturers' inventories
18 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
19 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
20 and amendments thereto; (8) property exempted from ad valorem taxation
21 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all
22 property previously acquired by the secretary of transportation or a
23 predecessor in interest, which is used in the administration, construction,
24 maintenance or operation of the state system of highways. The secretary of
25 transportation shall at the time of acquisition of property notify the county
26 appraiser in the county in which the property is located that the acquisition
27 occurred and provide a legal description of the property acquired; (9)
28 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,
29 and amendments thereto, including all property previously acquired by the
30 Kansas turnpike authority which is used in the administration,
31 construction, maintenance or operation of the Kansas turnpike. The Kansas
32 turnpike authority shall at the time of acquisition of property notify the
33 county appraiser in the county in which the property is located that the
34 acquisition occurred and provide a legal description of the property
35 acquired; (10) aquaculture machinery and equipment exempted from ad
36 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
37 this section, "aquaculture" has the same meaning ascribed thereto by
38 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
39 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
40 amendments thereto; (12) property used exclusively by the state or any
41 municipality or political subdivision of the state for right-of-way purposes.
42 The state agency or the governing body of the municipality or political
43 subdivision shall at the time of acquisition of property for right-of-way

1 purposes notify the county appraiser in the county in which the property is
2 located that the acquisition occurred and provide a legal description of the
3 property acquired; (13) machinery, equipment, materials and supplies
4 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments
5 thereto; (14) vehicles owned by the state or by any political or taxing
6 subdivision thereof and used exclusively for governmental purposes; (15)
7 property used for residential purposes which is exempted pursuant to
8 K.S.A. 79-201x, and amendments thereto, from the property tax levied
9 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments
10 thereto; (16) from and after July 1, 1998, vehicles which are owned by an
11 organization having as one of its purposes the assistance by the provision
12 of transit services to the elderly and to disabled persons and which are
13 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)
14 from and after July 1, 1998, motor vehicles exempted from taxation by
15 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and
16 industrial machinery and equipment exempted from property or ad
17 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;
18 (19) telecommunications machinery and equipment and railroad
19 machinery and equipment exempted from property or ad valorem taxation
20 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property
21 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-
22 234, and amendments thereto.

23 (m) The provisions of this section shall apply to property exempt
24 pursuant to the provisions of section 13 of article 11 of the constitution of
25 the state of Kansas.

26 (n) The provisions of subsection (k) as amended by this act shall be
27 applicable to all exemption applications filed in accordance with
28 subsection (a) after December 31, 2001.

29 Sec. 101. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as
30 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll
31 of the county, the treasurer shall enter in a column opposite the description
32 of each tract or parcel of land the amount of unpaid taxes and the date of
33 unredeemed sales, if any, for previous years on such land. The treasurer
34 shall cause a notice to be published in the official county paper once each
35 week for three consecutive weeks, stating in the notice the amount of taxes
36 charged for state, county, township, school, city or other purposes for that
37 year, on each \$1,000 of valuation.

38 (b) Each year after receipt of the tax roll from the county clerk and
39 before December 15, the treasurer shall mail to each taxpayer, as shown by
40 the rolls, a tax statement which indicates the taxing unit, assessed value of
41 real and personal property, the mill levy and tax due. In addition, with
42 respect to land devoted to agricultural use, such statement shall indicate
43 the acreage and description of each parcel of such land. The tax statement

1 shall also indicate separately each parcel of real property which is
2 separately classified for property tax purposes. The county appraiser shall
3 provide the information necessary for the county treasurer to comply with
4 the provisions of this section. The tax statement also may include the
5 intangible tax due the county. All items may be on one statement or may
6 be shown on separate statements and may be on a form prescribed by the
7 county treasurer. The statement shall be mailed to the last known address
8 of the taxpayer or to a designee authorized by the taxpayer to accept the
9 tax statement, if the designee has an interest in receiving the statement.
10 When any statement is returned to the county treasurer for failure to find
11 the addressee, the treasurer shall make a diligent effort to find a
12 forwarding address of the taxpayer and mail the statement to the new
13 address. All tax statements mailed pursuant to this section shall be mailed
14 by first-class mail. The requirement for mailing a tax statement shall
15 extend only to the initial statement required to be mailed in each year and
16 to any follow-up required by this section.

17 (c) For tax year 1998, and all tax years thereafter, after receipt of the
18 tax roll from the county clerk and before December 15, the treasurer shall
19 mail to each taxpayer, as shown by the tax rolls, a tax information form
20 which indicates the taxing unit, assessed value of real property for the
21 current and next preceding taxable year, the mill levy for the current and
22 next preceding taxable year and, in the case of unified school districts, the
23 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and
24 amendments thereto, shall be separately indicated, the tax due and an
25 itemization of each taxing unit's mill levy for the current and next
26 preceding taxable year and the percentage change in the amount of
27 revenue produced therefrom, if any. In addition, with respect to land
28 devoted to agricultural use, such form shall indicate the acreage and
29 description of each parcel of such land. The tax information form shall
30 also indicate separately each parcel of real property which is separately
31 classified for property tax purposes. The county appraiser shall provide the
32 information necessary for the county treasurer to comply with the
33 provisions of this section. The tax information form may be separate from
34 the tax statement or a part of the tax statement. The tax information form
35 shall be in a format prescribed by the director of property valuation. The
36 tax information form shall be mailed to the last known address of the
37 taxpayer. When a tax information form is returned to the county treasurer
38 for failure to find the addressee, the treasurer shall make a diligent effort
39 to find a forwarding address of the taxpayer and mail the tax information
40 form to the new address. All tax information forms mailed pursuant to this
41 section shall be mailed by first class mail.

42 Sec. 102. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as
43 follows: 79-2925b. (a) Without a majority vote so providing, the governing

1 body of any municipality shall not approve any appropriation or budget, as
2 the case requires, which may be funded by revenue produced from
3 property taxes, and which provides for funding with such revenue in an
4 amount exceeding that of the next preceding year, adjusted to reflect
5 changes in the consumer price index for all urban consumers as published
6 by the United States department of labor for the preceding calendar year. If
7 the total tangible property valuation in any municipality increases from the
8 next preceding year due to increases in the assessed valuation of existing
9 tangible property and such increase exceeds changes in the consumer price
10 index, the governing body shall lower the amount of ad valorem tax to be
11 levied to the amount of ad valorem tax levied in the next preceding year,
12 adjusted to reflect changes in the consumer price index. This subsection
13 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-
14 6b04 and ~~K.S.A. 2016 Supp. 72-6470~~ *section 14*, and amendments thereto,
15 and any other ad valorem tax levy which was previously approved by the
16 voters of such municipality. Notwithstanding the requirements of this
17 subsection, nothing herein shall prohibit a municipality from increasing
18 the amount of ad valorem tax to be levied if the municipality approves the
19 proposed increase with a majority vote of the governing body by the
20 adoption of a resolution and publishes its vote to approve the appropriation
21 or budget including the increase as provided in subsection (c).

22 (b) Revenue that, in the current year, is produced and attributable to
23 the taxation of:

- 24 (1) New improvements to real property;
- 25 (2) increased personal property valuation;
- 26 (3) property located within added jurisdictional territory; or
- 27 (4) property which has changed in use shall not be considered when
28 determining whether revenue produced from property has increased from
29 the next preceding year.

30 (c) In the event the governing body votes to approve any
31 appropriation or budget, as the case requires, which may be funded by
32 revenue produced from property taxes, and which provides for funding
33 with such revenue in an amount exceeding that of the next preceding year
34 as provided in subsection (a), notice of such vote shall be published in the
35 official county newspaper of the county where such municipality is
36 located.

37 (d) The provisions of this section shall be applicable to all fiscal and
38 budget years commencing on and after the effective date of this act.

39 (e) The provisions of this section shall not apply to revenue received
40 from property tax levied for the sole purpose of repayment of the principal
41 of and interest upon bonded indebtedness, temporary notes and no-fund
42 warrants.

43 (f) For purposes of this section:

1 (1) "Municipality" means any political subdivision of the state which
2 levies an ad valorem tax on property and includes, but is not limited to,
3 any township, municipal university, school district, community college,
4 drainage district or other taxing district;

5 (2) "municipality" shall not include:

6 (A) Any such political subdivision or taxing district which receives
7 \$1,000 or less in revenue from property taxes in the current year; or

8 (B) any city or county.

9 Sec. 103. In sections 1 and 2, if any fund or account name described
10 by words and the numerical accounting code that follows such fund or
11 account name do not match, it shall be conclusively presumed that the
12 legislature intended that the fund or account name described by words is
13 the correct fund or account name, and such fund or account name
14 described by words shall control over a contradictory or incorrect
15 numerical accounting code.

16 Sec. 104. K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-
17 1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 46-1133, 72-978, 72-
18 1046b, 72-1398, 72-1414, 72-1923, 72-3712, 72-3715, 72-5333b, 72-6482,
19 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-
20 67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8249,
21 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-8801, 72-
22 8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-8925, 74-
23 99b43, 75-2319, 75-2319, as amended by section 46 of Senate Substitute
24 for Substitute for House Bill No. 2052, 79-201x, 79-213, 79-2001 and 79-
25 2925b are hereby repealed.

26 Sec. 105. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as
27 amended by section 92 of this act, and 72-99a04 are hereby repealed.

28 Sec. 106. This act shall take effect and be in force from and after its
29 publication in the statute book.