

As Amended by House Committee

Session of 2013

HOUSE BILL No. 2003

By Representative Huebert

1-7

1 AN ACT concerning school districts; relating to school finance; amending
2 K.S.A. 72-6444 and K.S.A. 2012 Supp. 72-978, 72-6409, 72-6410, 72-
3 6415b, 72-6433, 72-6433d, 72-6434, 72-6435, 72-6441, 72-6449, 72-
4 6451 and 72-6456 and repealing the existing sections; also repealing
5 K.S.A. 2012 Supp. 72-978a.
6

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

8 Section 1. K.S.A. 2012 Supp. 72-978 is hereby amended to read as
9 follows: 72-978. (a) Each year, the state board of education shall determine
10 the amount of state aid for the provision of special education and related
11 services each school district shall receive for the ensuing school year. The
12 amount of such state aid shall be computed by the state board as provided
13 in this section. The state board shall:

14 (1) Determine the total amount of general fund and local ~~option~~
15 *operating* budgets of all school districts;

16 (2) subtract from the amount determined in paragraph (1) the total
17 amount attributable to assignment of transportation weighting, program
18 weighting, special education weighting and at-risk pupil weighting to
19 enrollment of all school districts;

20 (3) divide the remainder obtained in paragraph (2) by the total
21 number of full-time equivalent pupils enrolled in all school districts on
22 September 20;

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

26 (5) multiply the amount of the quotient obtained in paragraph (3) by
27 the full-time equivalent enrollment determined in paragraph (4);

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

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

33 (8) add the amounts determined under paragraphs (6) and (7) to the
34 amount of the product obtained under paragraph (5);

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

1 (10) subtract the amount of the sum obtained under paragraph (8)
2 from the amount determined under paragraph (9); and

3 (11) multiply the remainder obtained under paragraph (10) by 92%.

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

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

8 (1) Reimbursement for actual travel allowances paid to special
9 teachers at not to exceed the rate specified under K.S.A. 75-3203, and
10 amendments thereto, for each mile actually traveled during the school year
11 in connection with duties in providing special education or related services
12 for exceptional children; such reimbursement shall be computed by the
13 state board by ascertaining the actual travel allowances paid to special
14 teachers by the school district for the school year and shall be in an
15 amount equal to 80% of such actual travel allowances;

16 (2) reimbursement in an amount equal to 80% of the actual travel
17 expenses incurred for providing transportation for exceptional children to
18 special education or related services; such reimbursement shall not be paid
19 if such child has been counted in determining the transportation weighting
20 of the district under the provisions of the school district finance and
21 quality performance act;

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

27 (4) (A) except for those school districts entitled to receive
28 reimbursement under subsection (c) or (d), after subtracting the amounts of
29 reimbursement under paragraphs (1), (2) and (3) of ~~this~~ subsection (a)
30 from the total amount appropriated for special education and related
31 services under this act, an amount which bears the same proportion to the
32 remaining amount appropriated as the number of full-time equivalent
33 special teachers who are qualified to provide special education or related
34 services to exceptional children and are employed by the school district for
35 approved special education or related services bears to the total number of
36 such qualified full-time equivalent special teachers employed by all school
37 districts for approved special education or related services.

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

42 (C) *For purposes of this paragraph (4), a special teacher, qualified to*
43 *assist in the provision of special education and related services to*

1 *exceptional children, who assists in providing special education and*
2 *related services to exceptional children at either the state school for the*
3 *blind or the state school for the deaf and whose services are paid for by a*
4 *school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments*
5 *thereto, shall be considered a special teacher of such school district.*

6 (c) Each school district which has paid amounts for the provision of
7 special education and related services under an interlocal agreement shall
8 be entitled to receive reimbursement under subsection (b)(4). The amount
9 of such reimbursement for the district shall be the amount which bears the
10 same relation to the aggregate amount available for reimbursement for the
11 provision of special education and related services under the interlocal
12 agreement, as the amount paid by such district in the current school year
13 for provision of such special education and related services bears to the
14 aggregate of all amounts paid by all school districts in the current school
15 year who have entered into such interlocal agreement for provision of such
16 special education and related services.

17 (d) Each contracting school district which has paid amounts for the
18 provision of special education and related services as a member of a
19 cooperative shall be entitled to receive reimbursement under subsection (b)
20 (4). The amount of such reimbursement for the district shall be the amount
21 which bears the same relation to the aggregate amount available for
22 reimbursement for the provision of special education and related services
23 by the cooperative, as the amount paid by such district in the current
24 school year for provision of such special education and related services
25 bears to the aggregate of all amounts paid by all contracting school
26 districts in the current school year by such cooperative for provision of
27 such special education and related services.

28 (e) No time spent by a special teacher in connection with duties
29 performed under a contract entered into by the Kansas juvenile
30 correctional complex, the Atchison juvenile correctional facility, the
31 Larned juvenile correctional facility, or the Topeka juvenile correctional
32 facility and a school district for the provision of special education services
33 by such state institution shall be counted in making computations under
34 this section.

35 Sec. 2. K.S.A. 2012 Supp. 72-6409 is hereby amended to read as
36 follows: 72-6409. (a) "General fund" means the fund of a district from
37 which operating expenses are paid and in which is deposited the proceeds
38 from the tax levied under K.S.A. 72-6431, and amendments thereto, all
39 amounts of general state aid under this act, payments under K.S.A. 72-
40 7105a, and amendments thereto, *amounts transferred from the*
41 *supplemental general fund to the general fund of a district in accordance*
42 *with subsection (j)(5) of K.S.A. 72-6433, and amendments thereto,*
43 payments of federal funds made available under the provisions of title I of

1 public law 874, except amounts received for assistance in cases of major
2 disaster and amounts received under the low-rent housing program, and
3 such other moneys as are provided by law.

4 (b) "Operating expenses" means the total expenditures and lawful
5 transfers from the general fund of a district during a school year for all
6 purposes, except expenditures for the purposes specified in K.S.A. 72-
7 6430, and amendments thereto.

8 (c) "General fund budget" means the amount budgeted for operating
9 expenses in the general fund of a district.

10 (d) "Budget per pupil" means the general fund budget of a district
11 divided by the enrollment of the district.

12 (e) "Program weighted fund" means and includes the following funds
13 of a district: Vocational education fund, preschool-aged at-risk education
14 fund and bilingual education fund.

15 (f) "Categorical fund" means and includes the following funds of a
16 district: Special education fund, food service fund, driver training fund,
17 adult education fund, adult supplementary education fund, area vocational
18 school fund, professional development fund, parent education program
19 fund, summer program fund, extraordinary school program fund, and
20 educational excellence grant program fund.

21 Sec. 3. K.S.A. 2012 Supp. 72-6410 is hereby amended to read as
22 follows: 72-6410. (a) "State financial aid" means an amount equal to the
23 product obtained by multiplying base state aid per pupil by the adjusted
24 enrollment of a district.

25 (b) (1) "Base state aid per pupil" means an amount of state financial
26 aid per pupil. Subject to the other provisions of this subsection, the amount
27 of base state aid per pupil is ~~\$4,433 in school year 2008-2009 and \$4,492~~
28 ~~in school year 2009-2010 \$4,241~~ **\$4,264 in school year 2012-2013 2013-**
29 **2014 and school year 2013-2014 2014-2015 and \$4,492 in school year**
30 ~~2014-2015 2015-2016~~ and each school year thereafter.

31 (2) The amount of base state aid per pupil is subject to reduction
32 commensurate with any reduction under K.S.A. 75-6704, and amendments
33 thereto, in the amount of the appropriation from the state general fund for
34 general state aid. If the amount of appropriations for general state aid is
35 insufficient to pay in full the amount each district is entitled to receive for
36 any school year, the amount of base state aid per pupil for such school year
37 is subject to reduction commensurate with the amount of the insufficiency.

38 (c) "Local effort" means the sum of an amount equal to the proceeds
39 from the tax levied under authority of K.S.A. 72-6431, and amendments
40 thereto, *and an amount transferred from the supplemental general fund to*
41 *the general fund in accordance with subsection (j)(5) of K.S.A. 72-6433,*
42 *and amendments thereto,* and an amount equal to any unexpended and
43 unencumbered balance remaining in the general fund of the district, except

1 amounts received by the district and authorized to be expended for the
2 purposes specified in K.S.A. 72-6430, and amendments thereto, and an
3 amount equal to any unexpended and unencumbered balances remaining in
4 the program weighted funds of the district, except any amount in the
5 vocational education fund of the district if the district is operating an area
6 vocational school, and an amount equal to any remaining proceeds from
7 taxes levied under authority of K.S.A. 72-7056 and 72-7072, and
8 amendments thereto, prior to the repeal of such statutory sections, and an
9 amount equal to the amount deposited in the general fund in the current
10 school year from amounts received in such year by the district under the
11 provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto,
12 and an amount equal to the amount deposited in the general fund in the
13 current school year from amounts received in such year by the district
14 pursuant to contracts made and entered into under authority of K.S.A. 72-
15 6757, and amendments thereto, and an amount equal to the amount
16 credited to the general fund in the current school year from amounts
17 distributed in such year to the district under the provisions of articles 17
18 and 34 of chapter 12 of Kansas Statutes Annotated and under the
19 provisions of articles 42 and 51 of chapter 79 of Kansas Statutes
20 Annotated, and an amount equal to the amount of payments received by
21 the district under the provisions of K.S.A. 72-979, and amendments
22 thereto, and an amount equal to the amount of a grant, if any, received by
23 the district under the provisions of K.S.A. 72-983, and amendments
24 thereto, and an amount equal to 70% of the federal impact aid of the
25 district.

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

37 Sec. 4. K.S.A. 2012 Supp. 72-6415b is hereby amended to read as
38 follows: 72-6415b. School facilities weighting may be assigned to
39 enrollment of a district only if the district has adopted a local ~~option~~
40 *operating* budget in an amount equal to at least ~~25%~~ **22.5% for school**
41 **year 2013-2014 and school year 2014-2015 and 25% for school year**
42 **2015-2016 and each school year thereafter** of the amount of the state
43 financial aid determined for the district in the current school year. School

1 facilities weighting may be assigned to enrollment of the district only in
2 the school year in which operation of a new school facility is commenced
3 and in the next succeeding school year.

4 Sec. 5. K.S.A. 2012 Supp. 72-6433 is hereby amended to read as
5 follows: 72-6433. (a) As used in this section:

6 (1) "State prescribed percentage" means ~~31% 28%~~ **17.9% for school**
7 **year 2013-2014 and school year 2014-2015 and 31% for school year**
8 **2015-2016 and each school year thereafter** of state financial aid of the
9 district in the current school year.

10 (2) "Authorized to adopt a local ~~option~~ *operating* budget" means that
11 a district has adopted a resolution under this section, has published the
12 same, and either the resolution was not protested or it was protested and an
13 election was held by which the adoption of a local ~~option~~ *operating* budget
14 was approved.

15 (b) (1) In ~~each~~ school year **2013-2014 and school year 2014-2015**,
16 the board of any district ~~may shall~~ adopt a local ~~option~~ *operating* budget
17 ~~which does not exceed the state prescribed percentage~~, which shall be at
18 ~~least 10% but not more than 27%~~ **17%** of the state financial aid of the
19 district in the current school year.

20 (2) Subject to subsection (i), in ~~each~~ school year **2013-2014 and**
21 **school year 2014-2015**, the board of any district may adopt a local
22 *operating budget in excess of 27%* **17%** of the state financial aid of the
23 district in the current school year. Such excess percentage shall be
24 adopted by separate resolution.

25 (3) **In school year 2015-2016 and each school year thereafter, the**
26 **board of any district may adopt a local operating budget which does**
27 **not exceed the state prescribed percentage.**

28 (c) Subject to ~~the limitation of~~ subsection (b) ~~(1)~~, in each school year,
29 the board of any district may adopt, by resolution, a local ~~option~~ *operating*
30 budget ~~in an amount shall not to exceed~~:

31 (1) (A) The amount which the board was authorized to adopt in
32 accordance with the provisions of this section in effect prior to its
33 amendment by this act; plus

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

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

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

40 ~~Except as provided by subsection (c), the adoption of a resolution~~
41 ~~pursuant to this subsection shall require a majority vote of the members of~~
42 ~~the board. Such resolution shall be effective upon adoption and shall~~
43 ~~require no other procedure, authorization or approval.~~

1 (d) If the board of a district desires to increase its local-~~option-~~
 2 *operating* budget authority above the amount authorized under subsection
 3 (c) or if the board was not authorized to adopt a local option budget in
 4 2006-2007, the board may adopt, by resolution, such budget in an amount
 5 not to exceed the state prescribed percentage. The adoption of a resolution
 6 pursuant to this subsection shall require a majority vote of the members of
 7 the board. The resolution shall be published at least once in a newspaper
 8 having general circulation in the district. The resolution shall be published
 9 in substantial compliance with the following form:

10 Unified School District No. _____,
 11 _____ County, Kansas.

12 RESOLUTION

13 Be It Resolved that:

14 The board of education of the above-named school district shall be
 15 authorized to adopt a local-~~option~~ *operating* budget in each school year in
 16 an amount not to exceed ____% of the amount of state financial aid. The
 17 local-~~option~~ *operating* budget authorized by this resolution may be
 18 adopted, unless a petition in opposition to the same, signed by not less than
 19 5% of the qualified electors of the school district, is filed with the county
 20 election officer of the home county of the school district within 30 days
 21 after publication of this resolution. If a petition is filed, the county election
 22 officer shall submit the question of whether adoption of the local-~~option~~
 23 *operating* budget shall be authorized to the electors of the school district at
 24 an election called for the purpose or at the next general election, as is
 25 specified by the board of education of the school district.

26
27
28 CERTIFICATE

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

34
35 _____
 36 Clerk of the board of education.

37 All of the blanks in the resolution shall be filled as is appropriate. If a
 38 sufficient petition is not filed, the board may adopt a local-~~option-~~
 39 *operating* budget. If a sufficient petition is filed, the board may notify the
 40 county election officer of the date of an election to be held to submit the
 41 question of whether adoption of a local-~~option~~ *operating* budget shall be
 42 authorized. Any such election shall be noticed, called and held in the
 43 manner provided by K.S.A. 10-120, and amendments thereto. If the board
 fails to notify the county election officer within 30 days after a sufficient

1 petition is filed, the resolution shall be deemed abandoned and no like
2 resolution shall be adopted by the board within the nine months following
3 publication of the resolution.

4 ~~(e) Any resolution authorizing the adoption of a local option budget~~
5 ~~in excess of 30% of the state financial aid of the district in the current~~
6 ~~school year adopted under subsection (b)(2) or (b)(3) shall not become~~
7 effective unless such resolution *specifying the excess percentage* has been
8 submitted to and approved by a majority of the qualified electors of the
9 school district voting at an election called and held thereon. The election
10 shall be called and held in the manner provided by K.S.A. 10-120, and
11 amendments thereto.

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

22 (g) The board of any district may initiate procedures to renew or
23 increase the authority to adopt a local ~~option~~ *operating* budget at any time
24 during a school year after the tax levied pursuant to K.S.A. 72-6435, and
25 amendments thereto, is certified to the county clerk under any existing
26 authorization.

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

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

43 (j) (1) There is hereby established in every district ~~that adopts a local~~

1 ~~option budget~~ a fund which shall be called the supplemental general fund.
2 The fund shall consist of all amounts deposited therein or credited thereto
3 according to law.

4 (2) Subject to the limitation imposed under ~~paragraph~~ *paragraphs* (3)
5 *and* (5) and subsection (e) of K.S.A. 72-6434, and amendments thereto,
6 amounts in the supplemental general fund may be expended for any
7 purpose for which expenditures from the general fund are authorized or
8 may be transferred to any program weighted fund or categorical fund of
9 the district. Amounts in the supplemental general fund attributable to any
10 percentage over 25% of state financial aid determined for the current
11 school year may be transferred to the capital improvements fund of the
12 district and the capital outlay fund of the district if such transfers are
13 specified in the resolution authorizing the adoption of a local ~~option~~
14 *operating* budget in excess of 25%.

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

19 (4) (A) Except as provided in paragraph (B), any unexpended ~~budget~~
20 *moneys* remaining in the supplemental general fund of a district at the
21 conclusion of any school year in which a local ~~option~~ *operating* budget is
22 adopted shall be maintained in such fund.

23 (B) If the district received supplemental general state aid in the
24 school year, the state board shall determine the ratio of the amount of
25 supplemental general state aid received to the amount of the local ~~option~~
26 *operating* budget of the district for the school year and multiply the total
27 amount of the unexpended budget remaining by such ratio. An amount
28 equal to the amount of the product shall be transferred to the general fund
29 of the district or remitted to the state treasurer. Upon receipt of any such
30 remittance, the state treasurer shall deposit the same in the state treasury to
31 the credit of the state school district finance fund.

32 (5) (A) *An amount equal to the product obtained by multiplying 10%*
33 *of the base state aid per pupil by the adjusted enrollment of the district*
34 *shall be transferred to the general fund of the district. Such amount shall*
35 *be expended in the following manner and order of priority:*

36 (i) (a) *An amount equal to 10% of the state financial aid of the*
37 *district directly attributable to at-risk pupils under K.S.A. 72-6414, and*
38 *amendments thereto, and K.S.A. 2012 Supp. 72-6455 and 72-6459, and*
39 *amendments thereto, shall be expended for at-risk assistance or programs*
40 *in the district; and*

41 (b) *an amount equal to 10% of the state financial aid of the district*
42 *directly attributable to bilingual education under subsection (a)(1) of*
43 *K.S.A. 72-6413, and amendments thereto, shall be expended for bilingual*

1 *education programs in the district; and*

2 *(ii) the remainder of such moneys, if any, shall be expended for*
3 *general operating expenses.*

4 *(B) For the purposes of determining the total amount of state moneys*
5 *paid to school districts, all moneys transferred under this paragraph shall*
6 *be deemed to be state moneys for educational and support services for*
7 *school districts.*

8 **(C) This paragraph shall expire on June 30, 2015.**

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

12 (l) *For the purposes of this section, the term "local operating budget"*
13 *means "local option budget" as that term was used prior to the*
14 *amendment of this section by this act.*

15 (m) The provisions of this section shall be subject to the provisions
16 of K.S.A. 2012 Supp. 72-6433d, and amendments thereto.

17 Sec. 6. K.S.A. 2012 Supp. 72-6433d is hereby amended to read as
18 follows: 72-6433d. (a) (1) The provisions of this subsection shall apply in
19 any school year in which the amount of base state aid per pupil is \$4,433
20 or less.

21 (2) The board of any school district may adopt a local-~~option~~
22 *operating* budget which does not exceed the local-~~option~~ *operating* budget
23 calculated as if the base state aid per pupil was ~~\$4,433~~ \$4,926, or which
24 does not exceed the local-~~option~~ *operating* budget as calculated pursuant to
25 K.S.A. 72-6433, and amendments thereto, whichever is greater.

26 (b) The board of education of any school district may adopt a local
27 ~~option~~ *operating* budget which does not exceed the local-~~option~~ *operating*
28 budget calculated as if the district received state aid for special education
29 and related services equal to the amount of state aid for special education
30 and related services received in school year 2008-2009, or which does not
31 exceed the local-~~option~~ *operating* budget as calculated pursuant to K.S.A.
32 72-6433, and amendments thereto, whichever is greater.

33 (c) The board of education of any school district may exercise the
34 authority granted under subsection (a) or (b) or both subsections (a) and
35 (b).

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

38 (e) The provisions of this section shall expire on June 30, 2014.

39 Sec. 7. K.S.A. 2012 Supp. 72-6434 is hereby amended to read as
40 follows: 72-6434. (a) In each school year, each district that has adopted a
41 local-~~option~~ *operating* budget is eligible for entitlement to an amount of
42 supplemental general state aid. Except as provided by K.S.A. 2012 Supp.
43 72-6434b, and amendments thereto, entitlement of a district to

1 supplemental general state aid shall be determined by the state board as
2 provided in this subsection. The state board shall:

3 (1) Determine the amount of the assessed valuation per pupil in the
4 preceding school year of each district in the state;

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

7 (3) identify the amount of the assessed valuation per pupil located at
8 the 81.2 percentile of the amounts ranked under (2);

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

11 (5) subtract the ratio obtained under (4) from 1.0. If the resulting ratio
12 equals or exceeds 1.0, the eligibility of the district for entitlement to
13 supplemental general state aid shall lapse. If the resulting ratio is less than
14 1.0, the district is entitled to receive supplemental general state aid in an
15 amount which shall be determined by the state board by multiplying the
16 amount of the local ~~option~~ *operating* budget of the district by such ratio.
17 The product is the amount of supplemental general state aid the district is
18 entitled to receive for the school year.

19 (b) If the amount of appropriations for supplemental general state aid
20 is less than the amount each district is entitled to receive for the school
21 year, the state board shall prorate the amount appropriated among the
22 districts in proportion to the amount each district is entitled to receive.

23 (c) The state board shall prescribe the dates upon which the
24 distribution of payments of supplemental general state aid to school
25 districts shall be due. Payments of supplemental general state aid shall be
26 distributed to districts on the dates prescribed by the state board. The state
27 board shall certify to the director of accounts and reports the amount due
28 each district, and the director of accounts and reports shall draw a warrant
29 on the state treasurer payable to the treasurer of the district. Upon receipt
30 of the warrant, the treasurer of the district shall credit the amount thereof
31 to the supplemental general fund of the district to be used for the purposes
32 of such fund.

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

42 (e) (1) Except as provided by paragraph (2), moneys received as
43 supplemental general state aid shall be used to meet the requirements

1 under the school performance accreditation system adopted by the state
2 board, to provide programs and services required by law and to improve
3 student performance.

4 (2) Amounts of supplemental general state aid attributable to any
5 percentage over 25% of state financial aid determined for the current
6 school year may be transferred to the capital improvements fund of the
7 district and the capital outlay fund of the district if such transfers are
8 specified in the resolution authorizing the adoption of a local ~~option~~
9 *operating* budget in excess of 25%.

10 (f) For the purposes of determining the total amount of state moneys
11 paid to school districts, all moneys appropriated as supplemental general
12 state aid shall be deemed to be state moneys for educational and support
13 services for school districts.

14 Sec. 8. K.S.A. 2012 Supp. 72-6435 is hereby amended to read as
15 follows: 72-6435. (a) In each school year, the board of every district ~~that~~
16 ~~has adopted a local option budget may~~ shall levy an ad valorem tax on the
17 taxable tangible property of the district for the purpose of: (1) Financing
18 that portion of the district's local ~~option~~ *operating* budget which is not
19 financed from any other source provided by law; (2) paying a portion of
20 the principal and interest on bonds issued by cities under authority of
21 K.S.A. 12-1774, and amendments thereto, for the financing of
22 redevelopment projects upon property located within the district; and (3)
23 funding transfers to the capital improvement fund of the district and the
24 capital outlay fund of the district if such transfers are specified in the
25 resolution authorizing the adoption of a local ~~option~~ *operating* budget in
26 excess of 25% of state financial aid determined for the current school year.

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

33 (c) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-
34 1964b, and amendments to such sections.

35 Sec. 9. K.S.A. 2012 Supp. 72-6441 is hereby amended to read as
36 follows: 72-6441. (a) (1) The board of any district to which the provisions
37 of this subsection apply may levy an ad valorem tax on the taxable
38 tangible property of the district each year for a period of time not to
39 exceed two years in an amount not to exceed the amount authorized by the
40 state court of tax appeals under this subsection for the purpose of financing
41 the costs incurred by the state that are directly attributable to assignment of
42 ancillary school facilities weighting to enrollment of the district. The state
43 court of tax appeals may authorize the district to make a levy which will

1 produce an amount that is not greater than the difference between the
2 amount of costs directly attributable to commencing operation of one or
3 more new school facilities and the amount that is financed from any other
4 source provided by law for such purpose, including any amount
5 attributable to assignment of school facilities weighting to enrollment of
6 the district for each school year in which the district is eligible for such
7 weighting. If the district is not eligible, or will be ineligible, for school
8 facilities weighting in any one or more years during the two-year period
9 for which the district is authorized to levy a tax under this subsection, the
10 state court of tax appeals may authorize the district to make a levy, in such
11 year or years of ineligibility, which will produce an amount that is not
12 greater than the actual amount of costs attributable to commencing
13 operation of the facility or facilities.

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

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

23 (4) The provisions of this subsection apply to any district that: (A)
24 Commenced operation of one or more new school facilities in the school
25 year preceding the current school year or has commenced or will
26 commence operation of one or more new school facilities in the current
27 school year or any or all of the foregoing; (B) is authorized to adopt and
28 has adopted a local ~~option~~ *operating* budget which is at least equal to that
29 amount required to qualify for school facilities weighting under K.S.A.
30 2012 Supp. 72-6415b, and amendments thereto; and (C) is experiencing
31 extraordinary enrollment growth as determined by the state board of
32 education.

33 (b) The board of any district that has levied an ad valorem tax on the
34 taxable tangible property of the district each year for a period of two years
35 under authority of subsection (a) may continue to levy such tax under
36 authority of this subsection each year for an additional period of time not
37 to exceed three years in an amount not to exceed the amount computed by
38 the state board of education as provided in this subsection if the board of
39 the district determines that the costs attributable to commencing operation
40 of one or more new school facilities are significantly greater than the costs
41 attributable to the operation of other school facilities in the district. The tax
42 authorized under this subsection may be levied at a rate which will
43 produce an amount that is not greater than the amount computed by the

1 state board of education as provided in this subsection. In computing such
2 amount, the state board shall: (1) Determine the amount produced by the
3 tax levied by the district under authority of subsection (a) in the second
4 year for which such tax was levied and add to such amount the amount of
5 general state aid directly attributable to school facilities weighting that was
6 received by the district in the same year; (2) compute 75% of the amount
7 of the sum obtained under (1), which computed amount is the amount the
8 district may levy in the first year of the three-year period for which the
9 district may levy a tax under authority of this subsection; (3) compute 50%
10 of the amount of the sum obtained under (1), which computed amount is
11 the amount the district may levy in the second year of the three-year period
12 for which the district may levy a tax under authority of this subsection; and
13 (4) compute 25% of the amount of the sum obtained under (1), which
14 computed amount is the amount the district may levy in the third year of
15 the three-year period for which the district may levy a tax under authority
16 of this subsection.

17 In determining the amount produced by the tax levied by the district
18 under authority of subsection (a), the state board shall include any moneys
19 which have been apportioned to the ancillary facilities fund of the district
20 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
21 5118 et seq., and amendments thereto.

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

27 Sec. 10. K.S.A. 72-6444 is hereby amended to read as follows: 72-
28 6444. (a) In each school year, commencing with the 1997-98 school year,
29 the state board shall compute a district prescribed percentage for the
30 purpose of determining the amount of a local-~~option~~ *operating* budget the
31 board of a district to which the provisions of this section apply may adopt
32 for the school year. The district prescribed percentage for each district to
33 which the provisions of this section apply shall be computed by the state
34 board as provided in this section. The state board shall:

35 (1) Determine the actual amount per pupil for the preceding school
36 year of the general fund budget and the local-~~option~~ *operating* budget, if
37 any, of each district;

38 (2) compute the average amount per pupil for the preceding school
39 year of general fund budgets and local-~~option~~ *operating* budgets of
40 districts with 75-125 enrollment in such school year;

41 (3) compute the average amount per pupil for the preceding school
42 year of general fund budgets and local-~~option~~ *operating* budgets of
43 districts with 200-399 enrollment in such school year;

1 (4) compute the average amount per pupil for the preceding school
2 year of general fund budgets and local ~~option~~ *operating* budgets of
3 districts with 1,800 or over enrollment in such school year;

4 (5) compute an average amount per pupil for the preceding school
5 year of general fund budgets and local ~~option~~ *operating* budgets of
6 districts with 100-299.9 enrollment in such school year by preparing a
7 schedule based upon an accepted mathematical formula and deriving an
8 amount for each such district from a linear transition between the average
9 amount per pupil computed under (2) and the average amount per pupil
10 computed under (3);

11 (6) compute an average amount per pupil for the preceding school
12 year of general fund budgets and local ~~option~~ *operating* budgets of
13 districts with 300-1,799.9 enrollment in such school year by preparing a
14 schedule based upon an accepted mathematical formula and deriving an
15 amount for each such district from a linear transition between the average
16 amount per pupil computed under (3) and the average amount per pupil
17 computed under (4);

18 (7) for districts with 0-99.9 enrollment, compare the amount
19 determined for the district under (1) to the average amount computed
20 under (2). If the amount determined under (1) is equal to or greater than
21 the average amount computed under (2), the provisions of this section do
22 not apply to the district. If the amount determined under (1) is less than
23 the average amount computed under (2), subtract the amount determined
24 under (1) from the amount computed under (2), multiply the remainder by
25 enrollment of the district in the preceding school year, and divide the
26 product by the amount of state financial aid determined for the district in
27 the preceding school year. The quotient is the district prescribed
28 percentage of the district;

29 (8) for districts with 100-299.9 enrollment, compare the amount
30 determined for the district under (1) to the average amount computed
31 under (5). If the amount determined under (1) is equal to or greater than
32 the average amount computed under (5), the provisions of this section do
33 not apply to the district. If the amount determined under (1) is less than
34 the average amount computed under (5), subtract the amount determined
35 under (1) from the amount computed under (5), multiply the remainder by
36 enrollment of the district in the preceding school year, and divide the
37 product by the amount of state financial aid determined for the district in
38 the preceding school year. The quotient is the district prescribed
39 percentage of the district;

40 (9) for districts with 300-1,799.9 enrollment, compare the amount
41 determined for the district under (1) to the average amount computed
42 under (6). If the amount determined under (1) is equal to or greater than
43 the average amount computed under (6), the provisions of this section do

1 not apply to the district. If the amount determined under (1) is less than
2 the average amount computed under (6), subtract the amount determined
3 under (1) from the amount computed under (6), multiply the remainder by
4 enrollment of the district in the preceding school year, and divide the
5 product by the amount of state financial aid determined for the district in
6 the preceding school year. The quotient is the district prescribed
7 percentage of the district;

8 (10) for districts with 1,800 or over enrollment, compare the amount
9 determined for the district under (1) to the average amount computed
10 under (4). If the amount determined under (1) is equal to or greater than
11 the average amount computed under (4), the provisions of this section do
12 not apply to the district. If the amount determined under (1) is less than
13 the average amount computed under (4), subtract the amount determined
14 under (1) from the amount computed under (4), multiply the remainder by
15 enrollment of the district in the preceding school year, and divide the
16 product by the amount of state financial aid determined for the district in
17 the preceding school year. The quotient is the district prescribed
18 percentage of the district.

19 (b) The provisions of this section apply to any district that budgeted
20 an amount per pupil in the preceding school year, as determined under
21 provision (1) of subsection (a), that was less than the average amount per
22 pupil of general fund budgets and local ~~option~~ *operating* budgets
23 computed by the state board under whichever of the provisions (7) through
24 (10) of subsection (a) is applicable to the district's enrollment group.

25 (c) *For the purposes of this section, the term "local operating*
26 *budget" means "local option budget" as that term was used prior to the*
27 *amendment of this section by this act.*

28 Sec. 11. K.S.A. 2012 Supp. 72-6449 is hereby amended to read as
29 follows: 72-6449. (a) As used in this section, "school district" or "district"
30 means a school district authorized to make a levy under this section.

31 (b) The board of education of any district may levy a tax on the
32 taxable tangible property within the district for the purpose of financing
33 the costs incurred by the state that are attributable directly to assignment of
34 the cost of living weighting to the enrollment of the district. There is
35 hereby established in every school district a fund which shall be called the
36 cost of living fund, which fund shall consist of all moneys deposited
37 therein or transferred thereto in accordance with law. All moneys derived
38 from a tax imposed pursuant to this section shall be credited to the cost of
39 living fund. The proceeds from the tax levied by a district credited to the
40 cost of living fund shall be remitted to the state treasurer in accordance
41 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
42 receipt of each such remittance, the state treasurer shall deposit the entire
43 amount in the state treasury to the credit of the state school district finance

1 fund.

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

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

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

7 (3) determine the average appraised value of single family residences
8 in each school district for the calendar year preceding the current school
9 year; and

10 (4) (A) subtract the amount determined under (2) from the amount
11 determined under (3). If the amount determined for the district under this
12 paragraph is a positive number and the district is authorized to adopt and
13 has adopted a local-~~option~~ *operating* budget in an amount equal to at least
14 ~~31%~~ 28% of the state financial aid for the school district, the district
15 qualifies for assignment of cost of living weighting and may levy a tax on
16 the taxable tangible property of the district for the purpose of financing the
17 costs that are attributable directly to assignment of the cost of living
18 weighting to enrollment of the district; or

19 (B) as an alternative to the authority provided in paragraph (4)(A), if
20 a district was authorized to make a levy pursuant to this section in school
21 year 2006-2007, such district shall remain authorized to levy such tax at a
22 rate necessary to generate revenue in the same amount generated in school
23 year 2006-2007 if: (i) The amount determined under paragraph (4)(A) is a
24 positive number; and (ii) the district continues to adopt a local-~~option~~
25 *operating* budget in an amount equal to the state prescribed percentage in
26 effect in school year 2006-2007.

27 (d) 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 district. Except as provided by subsection (e), the resolution shall be
31 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 district. The
40 ad valorem tax authorized by this resolution may be levied unless a
41 petition in opposition to the same, signed by not less than 5% of the
42 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 All of the blanks in the resolution shall be filled. If no petition as
 13 specified above is filed in accordance with the provisions of the resolution,
 14 the resolution authorizing the ad valorem tax levy shall become effective.
 15 If a petition is filed as provided in the resolution, the board may notify the
 16 county election officer to submit the question of whether such tax levy
 17 shall be authorized. If the board fails to notify the county election officer
 18 within 30 days after a petition is filed, the resolution shall be deemed
 19 abandoned and of no force and effect and no like resolution shall be
 20 adopted by the board within the nine months following publication of the
 21 resolution. If a majority of the votes cast in an election conducted pursuant
 22 to this provision are in favor of the resolution, such resolution shall be
 23 effective on the date of such election. If a majority of the votes cast are not
 24 in favor of the resolution, the resolution shall be deemed of no effect and
 25 no like resolution shall be adopted by the board within the nine months
 26 following such election.

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

32 Sec. 12. K.S.A. 2012 Supp. 72-6451 is hereby amended to read as
 33 follows: 72-6451. (a) As used in this section:

34 (1) "School district" or "district" means a school district which: (A)
 35 Has a declining enrollment; and (B) has adopted a local ~~option~~ *operating*
 36 budget in an amount which equals at least ~~31%~~ *28%* **17.9% for school**
 37 **year 2013-2014 and school year 2014-2015 and 31% for school year**
 38 **2015-2016 and each school year thereafter** of the state financial aid for
 39 the school district at the time the district applies to the state court of tax
 40 appeals for authority to make a levy pursuant to this section.

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

43 (b) (1) (A) A school district may levy an ad valorem tax on the

1 taxable tangible property of the district each year for a period of time not
2 to exceed two years in an amount not to exceed the amount authorized by
3 the state court of tax appeals under this subsection for the purpose of
4 financing the costs incurred by the state that are directly attributable to
5 assignment of declining enrollment weighting to enrollment of the district.
6 The state court of tax appeals may authorize the district to make a levy
7 which will produce an amount that is not greater than the amount of
8 revenues lost as a result of the declining enrollment of the district. Such
9 amount shall not exceed 5% of the general fund budget of the district in
10 the school year in which the district applies to the state court of tax appeals
11 for authority to make a levy pursuant to this section.

12 (B) As an alternative to the authority provided in paragraph (1)(A), if
13 a district was authorized to make a levy pursuant to this section in school
14 year 2006-2007, such district shall remain authorized to make a levy at a
15 rate necessary to generate revenue in the same amount that was generated
16 in school year 2007-2008 if the district adopts a local ~~option~~ *operating*
17 budget in an amount equal to the state prescribed percentage in effect in
18 school year 2006-2007.

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

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

24 (c) A district may levy the tax authorized pursuant to this section for a
25 period of time not to exceed two years unless authority to make such levy
26 is renewed by the state court of tax appeals. The state court of tax appeals
27 may renew the authority to make such levy for periods of time not to
28 exceed two years.

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

32 (e) There is hereby established in every district a fund which shall be
33 called the declining enrollment fund. Such fund shall consist of all moneys
34 deposited therein or transferred thereto according to law. The proceeds
35 from the tax levied by a district under authority of this section shall be
36 credited to the declining enrollment fund of the district. The proceeds from
37 the tax levied by a district credited to the declining enrollment fund shall
38 be remitted to the state treasurer in accordance with the provisions of
39 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
40 remittance, the state treasurer shall deposit the entire amount in the state
41 treasury to the credit of the state school district finance fund.

42 (f) In determining the amount produced by the tax levied by the
43 district under authority of this section, the state board shall include any

1 moneys which have been apportioned to the declining enrollment fund of
2 the district from taxes levied under the provisions of K.S.A. 79-5101 et
3 seq. and 79-5118 et seq., and amendments thereto.

4 Sec. 13. K.S.A. 2012 Supp. 72-6456 is hereby amended to read as
5 follows: 72-6456. (a) For the purpose of determining the general fund
6 budget of a school district, weightings shall not be assigned to a pupil
7 enrolled in and attending KAMS.

8 (b) Moneys in the general fund which are attributable to a pupil
9 enrolled in and attending KAMS shall not be included in the computation
10 of the local-~~option~~ *operating* budget of the school district.

11 (c) The provisions of this section shall be part of and supplemental to
12 the school district finance and quality performance act.

13 Sec. 14. K.S.A. 72-6444 and K.S.A. 2012 Supp. 72-978, 72-978a, 72-
14 6409, 72-6410, 72-6415b, 72-6433, 72-6433d, 72-6434, 72-6435, 72-6441,
15 72-6449, 72-6451 and 72-6456 are hereby repealed.

16 Sec. 15. This act shall take effect and be in force from and after its
17 publication in the statute book.