SENATE BILL No. 133

By Committee on Ways and Means

2-5

AN ACT concerning school districts; relating to school finance; authorizing a local activities budget.

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

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

- (1) "District average amount per pupil" means the average amount per pupil for the preceding school year of the combined general fund budget and local option budget of the district as computed by the state board pursuant to subsection (g).
- (2) "School district" or "district" means a school which has adopted a local option budget not less than 30% of the state financial aid of the district in the current school year and whose district average amount per pupil is less than the statewide median amount per pupil.
 - (3) "State board" means the state board of education.
- (4) "Statewide median amount per pupil" means the median amount per pupil for the preceding school year of the combined general fund budgets and local option budgets of all districts as computed by the state board pursuant to subsection (f).
- (b) (1) Each school year, the board of education of any district, by resolution, may adopt a local activities budget. Except as provided by paragraph (2), a local activities budget shall not exceed an amount determined by multiplying 3% of the statewide median amount per pupil by the enrollment of the district.
- (2) If the sum of the district average amount per pupil and 3% of the statewide median amount per pupil is greater than the statewide median amount per pupil, then the local activities budget shall not exceed an amount determined by multiplying the difference between the statewide median amount per pupil and the district average amount per pupil for such district by the enrollment of the district.
- (c) (1) Except as otherwise provided in paragraph (3), such resolution shall not be effective unless it is submitted to and approved by a majority of the qualified electors of the school district voting on the question at an election thereon. The resolution submitted to the qualified electors of the school district shall specify the maximum local activities budget, which shall not exceed the amount determined in subsection (b). If any district is authorized to adopt a local activities budget under this section, but the

SB 133 2

board of such district chooses, in any school year, not to adopt such a budget or chooses, in any school year, to adopt such budget in an amount less than the amount stated in the resolution, such board of education may so choose. Whenever an initial resolution has been adopted under this subsection, and such resolution specified an amount less than the amount specified in the resolution, the board of the district may adopt one or more subsequent resolutions under the same procedure as provided for the initial resolution and subject to the same conditions, and shall be authorized to increase the amount as specified in any such subsequent resolution. Any amount specified in a subsequent resolution or in subsequent resolutions shall be limited so that the sum of the percentage authorized in the initial resolution and the amount authorized in any subsequent resolution is not in excess of the amount determined in subsection (b). If the resolution is not approved by a majority of the voters voting on the question at the election thereon, no like resolution shall be adopted by the board within the nine months following publication of the resolution.

- (2) The authority to adopt a local activities budget granted by the resolution to a school district shall expire five years from the date of the election in which the resolution was approved by the majority of the qualified electors of the school district voting on the question at the election thereon.
- (3) Upon the expiration of any resolution adopted pursuant to paragraph (1), the board of education of such district may adopt a new resolution authorizing a local activities budget in such amount that the aggregate amount authorized by all such resolutions still in effect at such time shall not exceed the amount determined in subsection (b). The resolution shall be published at least once in a newspaper having general circulation in the district. The resolution shall be published in substantial compliance with the following form:

30 Unified School District No. ______,
31 ______ County, Kansas.
32 RESOLUTION

Be It Resolved that:

The board of education of the above-named school district shall be authorized to adopt a local activities budget in each school year in an amount not to exceed _______. The local activities budget authorized by this resolution may be adopted, unless a petition in opposition to the same, signed by not less than 5% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 30 days after publication of this resolution. If a petition is filed, the county election officer shall submit the question of whether adoption of the local activities budget shall be authorized to the electors of the school district at an election called for the purpose or at the

SB 133 3

Clerk of the board of education.

All of the blanks in the resolution shall be filled as is appropriate. If a sufficient petition is not filed, the board may adopt a local activities budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local activities budget shall be authorized. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

- (d) Any election called pursuant to this section shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto, for the noticing, calling and holding of elections upon the question of issuing bonds under the general bond law. Such election may be conducted in the manner provided by the mail ballot act.
- (e) (1) There is hereby established in every district that adopts a local activities budget a fund which shall be called a local activities fund. The fund shall consist of all amounts deposited therein or credited thereto according to law.
- (2) Amounts in the local activities fund may be expended for the purpose of funding the cost of providing those programs and activities in the district which are not required by state law to be provided in accredited schools.
- (3) Any balance remaining in the local activities fund at the end of the school year shall be carried forward into that fund for succeeding school years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the local activities budget of such school district, the amounts credited to and the amount on hand in the local activities fund, and the amount expended therefrom shall be included in the annual local activities fund budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.
- (f) Each school year, the state board shall determine the statewide median amount per pupil as follows:
- (1) Determine the district average amount per pupil for each district pursuant to subsection (g);

SB 133 4

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(2) rank the districts from the lowest amount to the highest amount based on the amounts determined under paragraph (1):

- (3) identify the district average amount per pupil located at the 50th percentile of the amounts ranked under paragraph (2). Such amount is the statewide median amount per pupil.
- (g) Each school year for a district, the state board shall determine the district average amount per pupil as follows:
- (1) Determine the general fund budget for the district for the preceding school year.
- (2) Determine the local option budget for the district for the preceding school year.
- (3) Determine the enrollment of pupils in the district for the preceding school year.
- (4) Divide the sum of paragraphs (1) and (2) by paragraph (3). The result is the district average amount per pupil for such district.
- (h) (1) The board of a district that has adopted a local activities budget may levy an ad valorem tax on the taxable tangible property of the district for the purpose of financing that portion of the district's local activities budget which is not financed from any other source provided by law and for the purpose of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district.
- (2) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purposes of paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the district, shall be deposited in the local activities fund of the district.
- This act shall take effect and be in force from and after its 30 publication in the statute book.