HOUSE BILL No. 2504

By Committee on Federal and State Affairs

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AN ACT concerning school districts; relating to the realignment thereof; amending K.S.A. 2015 Supp. 72-1923 and repealing the existing section.

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

New Section 1. Sections 1 through 8, and amendments thereto, shall be known and may be cited as the Kansas school district realignment act.

New Sec. 2. As used in the Kansas school district realignment act:

- (a) "Department" means the state department of education.
- (b) "Home county" means the actual territory of a county as modified by the state board in order to: (1) Adjust for the territory of any voluntarily consolidated school district which submitted a request to the state board pursuant to section 4, and amendments thereto; and (2) adjust for adjacent territory which was included by the state board pursuant to section 3(c), and amendments thereto.
 - (c) "State board" means the state board of education.
- (d) "Student" means any person who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 maintained by such school district.
- (e) "School district" means a public school district operated and organized under the laws of this state.
- (f) "Realigned school district" means a school district that is realigned by the state board pursuant to section 3, and amendments thereto. "Realigned school district" does not include a school district that is disorganized by the state board in order to meet the requirements of section 3, and amendments thereto.
- New Sec. 3. (a) On or before July 1, 2017, and each 10 years thereafter, the state board shall realign the school district boundaries of Kansas in accordance with the provisions of this section. On or before July 1, 2017, and each 10 years thereafter, the state board shall establish and announce the realigned school district boundaries of Kansas. Such realigned school district boundaries shall be effective for school instruction and attendance purposes on the July 1 following the state board's establishment and announcement of such boundaries.
- 35 (b) (1) In a home county that has 10,000 students or less, the state 36 board shall realign school district boundaries so that there is only one

 realigned school district for each such home county.

- (2) In a home county that has 10,001 or more students, the state board shall realign school district boundaries so that any realigned school district within such home county has 1,500 or more students.
- (3) The number of students per home county shall be based on the most current data available as certified by the state board.
- (c) When determining the boundary of a home county, to the extent that it is reasonable and practical, the state board may include adjacent territory in an adjacent county as a part of a home county. The state board shall make such determinations so as to promote efficiencies and prevent divisions of cities and townships between two or more home counties.
- (d) The state board shall not divide or disorganize a public innovative district in the course of school district realignment. Any school district or part of any school district that the state board realigns with a public innovative district shall be considered part of such public innovative district and the resulting realigned school district shall continue to exist as a public innovative district under the coalition of innovative districts act, K.S.A. 2015 Supp. 72-1921 et seq., and amendments thereto.
- (e) After school district realignment is effective pursuant to this act, the number of school administration and supervisory service employees employed by a realigned school district shall not exceed 120% of the number of school administration and supervisory service employees of the school district with the largest enrollment in the prior year whose territory became part of such realigned school district.
- (f) The provisions of this section shall not apply to Fort Leavenworth school district as designated in K.S.A. 72-5333a, and amendments thereto.
- New Sec. 4. (a) To allow for school districts to make regional choices that are in such school districts' best interests, the state board shall allow school districts to voluntarily consolidate pursuant to K.S.A. 72-8701 et seq., and amendments thereto, prior to the effective date of school district realignment.
- (b) (1) School districts which voluntarily consolidate on or after July 1, 2016, and prior to the effective date of realignment of school districts pursuant to this act, may file a request that specifies the home county that such voluntarily consolidated school district shall be considered a part of for the purposes of section 3, and amendments thereto, provided such voluntarily consolidated school district has territory located in such county. Such home county request shall be in a form and manner as prescribed by the state board.
- (2) Any territory of a voluntarily consolidated school district that is located outside of the actual territorial boundary of such district's requested home county shall be attached and regarded as supplemental territory of such requested home county for school district realignment

 purposes under section 3, and amendments thereto. Any territory of a voluntarily consolidated school district that is located in a county which such district did not request as the home county shall be detached from any such county's territory for school district realignment purposes under section 3, and amendments thereto. No original territory of a voluntarily consolidated school district shall be separated or divided by the state board during school district realignment.

New Sec. 5. (a) On July 1, 2018, any school district that is disorganized by the state board of education pursuant to this act or any school district that is required to transfer territory to a realigned school district to meet the requirements of this act, shall transfer all related assets, property and records to each applicable realigned school district. A realigned school district shall have the right to possession of and title to all related assets, property and records of a school district whose territory was transferred to such realigned school district pursuant to this act.

- (b) On July 1, 2018, a school district that is disorganized by the state board of education pursuant to this act shall transfer all fund balances and any additional funds to be collected to the applicable realigned school district. If such school district is divided between two or more realigned school districts, the amount of funds to be transferred to each realigned school district shall be determined by the state board. Such determination shall be based upon the permitted uses of such funds, the requisite needs for such funds, the percentage of territorial overlap between the realigned school district and the school district that is disorganized by the state board, and any other factors the state board deems appropriate.
- (c) Any bonded indebtedness shall remain a charge upon the territory of the school district being disorganized or realigned and the provisions of K.S.A. 10-119, and amendments thereto, shall apply.
- New Sec. 6. (a) Prior to July 1, 2017, the state department of education shall identify and list all property, both real property and vehicles possessed by a school district whether rented, leased or owned, and used primarily for school district central administration purposes during the 2016-2017 school year. Such list shall be in a form and manner as prescribed by the state board and shall include, but not be limited to: (1) The school district in possession of such property; (2) the address of the location or primary location of such property; (3) a description of such property; and (4) whether such property is owned, leased or rented. The department shall make such list available on the department's website.
- (b) When identifying property used primarily for school district central administration purposes, the department shall list: (1) Physical office locations in which the superintendent or central administration staff is located and which are used for school district management, supervision and school administration purposes; and (2) vehicles which are primarily

used by the superintendent or other central administration staff.

- (c) Physical office locations that are operated or used for pupil instruction purposes, in addition to being used for school district central administration purposes, shall not be considered property used primarily for school district central administration purposes, and shall not be listed by the department. Vehicles that are used for student transportation services and vehicles that are used for the general repairs of buildings and preventative maintenance of systems and equipment shall not be considered property used primarily for school district central administration purposes and shall not be listed by the department.
- (d) Prior to July 1, 2018, the department shall notify each realigned school district of all listed property that such realigned school district will have possession of after the effective date of school district realignment.
- (1) If a realigned school district will obtain possession, due to school district realignment, of two or more physical office locations as listed by the department, then such realigned school district shall designate only one such physical office location to be used by such realigned school district for its management, supervision and school administration purposes.
- (2) If a realigned school district will obtain possession, due to school district realignment, of two or more vehicles as listed by the department, then such realigned school district shall designate only one such vehicle to be used by the superintendent or other central administration staff of such realigned school district.
- (3) Such designations shall be submitted to the department prior to the effective date of school district realignment and shall be published on the department's website for a period of no less than two years.
- New Sec. 7. (a) When used in this section, "surplus district property" means properties and vehicles that the department listed but were not designated pursuant to section 6(d), and amendments thereto, by a realigned school district pursuant to section 6, and amendments thereto.
- (b) On or before August 1, 2018, each realigned school district which designated property pursuant to section 6(d), and amendments thereto, shall initiate action to transfer the title and all interest in any surplus district property to the department of administration. Such transfers shall be completed on or before October 1, 2018. Conveyances of surplus district property shall be executed by the president of the board of education of the realigned school district and attested by the clerk.
- (c) Subject to the approval of the state finance council as required by subsection (d), whenever the secretary of administration determines that any surplus district property may be disposed of by sale, the secretary shall sell surplus district property and any improvements thereon. The secretary shall develop guidelines for the sale of surplus district property. In accordance with such guidelines and upon the approval of the state finance

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council pursuant to subsection (d), the secretary shall offer such surplus district property for sale by one of the following means: (1) Public auction; (2) by listing the surplus district property with a licensed real estate broker or salesperson; or (3) by sealed bid.

- (d) Prior to the sale of any surplus district property under subsection (c), the state finance council shall approve the sale, which is hereby characterized as a matter of legislative delegation and subject to the guidelines prescribed in K.S.A. 75-3711(c), and amendments thereto. The matter may be submitted to the state finance council for approval at any time, including periods of time during which the legislature is in session.
- (e) Prior to offering any surplus district property for sale, such property shall be appraised pursuant to K.S.A. 2015 Supp. 75-3043a, and amendments thereto, unless the appraisal is waived as provided in this subsection. The secretary of administration may waive the requirement for appraisal for any surplus district property that is to be sold at public auction under this section if the secretary of administration determines that it is in the best interests of the state to waive the requirement for appraisal for such surplus district property. The costs of any such appraisal may be paid from the proceeds of the sale.
- (f) Conveyance of title in surplus district property offered for sale by the secretary of administration shall be executed by the secretary. The deed for the conveyance may be by warranty deed or by quitclaim deed as determined to be in the best interests of the state by the secretary of administration in consultation with the realigned school district.
- (g) If the secretary of administration determines that surplus district property cannot be sold, the secretary shall dispose of any right, title or degree of interest in such surplus district property in the manner the secretary deems to be in the best interest of the state.
- (h) The proceeds derived from the sale or disposal of surplus district property and any improvements thereon, after deduction of the expenses of such sale or disposal and any cost of appraisal of the surplus district property, shall be deposited in the state treasury to the credit of the state general fund. In the event that the secretary of administration sells surplus district property that was constructed from the proceeds of a bond issue and such bonds have not been fully retired at the time of the sale of such property, the board of education of a realigned school district is authorized to establish a bond retirement fund and the secretary shall credit an appropriate amount of the proceeds of such sale to such fund to pay the remaining principle and interest on such bonds as they become due and payable.
- (i) The provisions of K.S.A. 72-8212 and 72-8213b, and amendments thereto, shall not apply to transactions authorized by this section.
 - New Sec. 8. On or before July 1, 2017, the state board shall adopt

rules and regulations to administer and enforce the provisions of this act. As part of its rules and regulations, the state board shall implement procedures to elect and organize local school boards of realigned school districts.

- Sec. 9. K.S.A. 2015 Supp. 72-1923 is hereby amended to read as follows: 72-1923. (a) Except as provided in K.S.A. 2015 Supp. 72-1925, and amendments thereto, the board of education of any school district may apply to the state board for a grant of authority to operate such school district as a public innovative district. The application shall be submitted in the form and manner prescribed by the state board, and shall be submitted not later than December 1 of the school year preceding the school year in which the school district intends to operate as a public innovative district.
 - (b) The application shall include the following:
- (1) A description of the educational programs of the public innovative district;
- (2) a description of the interest and support for partnerships between the public innovative district, parents and the community;
- (3) the specific goals and the measurable pupil outcomes to be obtained by operating as a public innovative district; and
- (4) an explanation of how pupil performance in achieving the specified outcomes will be measured, evaluated and reported.
- (c) (1) Within 90 days from the date such application is submitted, the state board shall review the application to determine compliance with this section, and shall approve or deny such application on or before the conclusion of such 90-day period. If the application is determined to be in compliance with this section, the state board shall approve such application and grant the school district authority to operate as a public innovative district. Notification of such approval shall be sent to the board of education of such school district within 10 days after such decision.
- (2) If the state board determines such application is not in compliance with either this section, or K.S.A. 2015 Supp. 72-1925, and amendments thereto, the state board shall deny such application. Notification of such denial shall be sent to the board of education of such school district within 10 days after such decision and shall specify the reasons therefor. Within 30 days from the date such notification is sent, the board of education of such school district may submit a request to the state board for reconsideration of the application and may submit an amended application with such request. The state board shall act on the request for reconsideration within 60 days of receipt of such request.
 - (d) A public innovative district shall:
- (1) Not charge tuition for any of the pupils residing within the public innovative district;
 - (2) participate in all Kansas math and reading assessments applicable

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

- (3) abide by all financial and auditing requirements that are applicable to school districts, except that a public innovative district may use generally accepted accounting principles;
 - (4) comply with all applicable health, safety and access laws; and
- (5) comply with all statements set forth in the application submitted pursuant to subsection (a).
- (e) (1) Except as otherwise provided in K.S.A. 2015 Supp. 72-1921 through 72-1930, and amendments thereto, or as required by the board of education of the public innovative district, a public innovative district shall be exempt from all laws and rules and regulations that are applicable to school districts.
- (2) A public innovative district shall be subject to the special education for exceptional children act, the virtual school act, the classroom learning assuring student success act, K.S.A. 2015 Supp. 72-6463 et seq., and amendments thereto, the provisions of K.S.A. 72-8801 et seq., and amendments thereto, all laws governing the issuance of general obligation bonds by school districts, the provisions of K.S.A. 74-4901 et seq., and amendments thereto, the Kansas school district realignment act, section 1 et seq., and amendments thereto, and all laws governing the election of members of the board of education, the open meetings act as provided in K.S.A. 75-4317 et seq., and amendments thereto, and the open records act as provided in K.S.A. 45-215 et seq., and amendments thereto.
- Sec. 10. K.S.A. 2015 Supp. 72-1923 is hereby repealed.
- Sec. 11. This act shall take effect and be in force from and after its publication in the statute book.