

**SENATE BILL No. 505**

By Committee on Ways and Means

3-8

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1 AN ACT concerning education; relating to the financing thereof; relating  
2 to unencumbered cash balances held by school districts.

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

5 Section 1. (a) For each school district, the state board shall  
6 determined that portion of the aggregate amount of unencumbered cash  
7 balances held by such school district on July 1, 2014, that is in excess of  
8 15% of the general operating expenditures for such school district for  
9 school year 2014-2015, and such amount shall be the aggregate general  
10 state aid adjustment for such school district. The state board shall divide  
11 the aggregate general state aid adjustment by five. The resulting quotient is  
12 the annual general state aid adjustment.

13 (b) For school year 2016-2017, and for each of the immediately  
14 succeeding four school years, the state board shall deduct from the amount  
15 of general state aid a school district is to receive under K.S.A. 2015 Supp.  
16 72-6465, and amendments thereto, or any successor act providing for the  
17 distribution of general state aid to school districts, an amount equal to the  
18 annual general state aid adjustment for such school district, and the  
19 resulting amount shall be the general state aid amount such school district  
20 is to receive for such school year.

21 (c) As used in this section, the term "school district" means a school  
22 district that held an aggregate amount of unencumbered cash balances on  
23 July 1, 2014, which was in excess of 15% of the general operating  
24 expenditures for such school district for school year 2014-2015.

25 Sec. 2. This act shall take effect and be in force from and after its  
26 publication in the statute book.