

Substitute for SENATE SENATE BILL No. 423

By Select Committee on Education Finance

1 AN ACT concerning education; relating to the instruction and financing
 2 thereof; Kansas school equity and enhancement act; BASE aid amount;
 3 enrollment weighting; preschool-aged at-risk students; consolidated
 4 school district total foundation aid; local option budget alternative
 5 calculation; funding reports; performance audits; bond authority;
 6 making and concerning appropriations for the fiscal years ending June
 7 30, 2019, June 30, 2020, and June 30, 2021, for the department of
 8 education; making and concerning appropriations for the fiscal year
 9 ending June 30, 2019, for the state board of regents; amending K.S.A.
 10 2017 Supp. 72-5132, 72-5141, 72-5144, 72-5149, 72-5155, 72-5171,
 11 72-5173 and 72-5461 and repealing the existing sections.

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

Section 1.

DEPARTMENT OF EDUCATION

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

18	State foundation aid (652-00-1000-0820).....	\$20,720,000
19	Special education services aid (652-00-1000-0700).....	\$12,000,000
20	Supplemental state aid (652-00-1000-0840).....	\$1,620,000
21	ACT and workkeys assessments program.....	\$2,800,000
22	<i>Provided</i> , That expenditures shall be made by the above agency from the	
23	ACT and workkeys assessments program account to provide the ACT	
24	college entrance exam and the three ACT workkeys assessments that are	
25	required to earn a national career readiness certificate to each student	
26	enrolled in grades nine through 12: <i>Provided further</i> , That no student	
27	enrolled in grades nine through 12 of any school district shall be required	
28	to pay any fees or costs to take such exam and assessments: <i>And provided</i>	
29	<i>further</i> , That in no event shall any school district be required to provide for	
30	more than one exam and three assessments per student: <i>And provided</i>	
31	<i>further</i> , That the state board of education may enter into any contracts that	
32	are necessary to promote statewide cost savings to administer such exams	
33	and assessments.	
34	Mentor teacher (652-00-1000-0440).....	\$500,000
35	Professional development.....	\$1,500,000
36	Statewide community mental health center	

1 and other mental health provider pilot program.....\$10,000,000
2 *Provided*, That expenditures shall be made by the above agency to
3 improve social-emotional wellness and outcomes for students by
4 increasing schools' access to counselors, social workers and psychologists
5 statewide, which includes establishing or expanding collaborative
6 relationships with community mental health centers and other mental
7 health providers, including a statewide pilot program for school districts
8 and their respective community mental health centers and other mental
9 health providers for fiscal year 2019: *Provided further*, That priority shall
10 be given to school districts and schools that have not established
11 collaborative relationships with community mental health centers or other
12 mental health providers in their communities.

13 ABC early childhood intervention program.....\$1,760,000
14 *Provided*, That expenditures shall be made by the above agency to
15 implement the ABC early childhood intervention program: *Provided*, That
16 such program shall use scientific, evidence-based practices to identify
17 early childhood at-risk indicators: *Provided further*, That such program
18 shall connect parents and legal guardians of children between the ages of
19 six months and four years who are identified as early childhood at-risk
20 with services to be provided by trained parent coaches: *And provided*
21 *further*, That the above agency shall work in collaboration with and
22 operationally fund the bureau of family health in the department for health
23 and environment in the development, implementation and expansion of
24 such program: *And provided further*, That both the above agency and the
25 bureau of family health in the department for health and environment shall
26 consult with the united methodist health ministry fund for the duration of
27 the program: *And provided further*, That the above agency may expend an
28 amount not to exceed \$264,000 from such account for research and
29 evaluation of processes utilized by or related to such program.

30 Parent education program.....\$3,000,000
31 *Provided*, That expenditures from the parent education program account
32 for each such grant shall be matched by the school district in an amount
33 that is equal to not less than 50% of the grant.

34 (b) On July 1, 2018, during the fiscal year ending June 30, 2019, any
35 expenditures from the parent education program account (652-00-2000-
36 2510) of the children's initiatives fund by section 2(c) of chapter 95 of the
37 2017 Session Laws of Kansas for each grant shall be matched by the
38 school district in an amount that is equal to not less than 50% of the grant,
39 and on July 1, 2018, the provisions of section 2(c) of chapter 95 of the
40 2017 Session Laws of Kansas that provide for such match to be in an
41 amount that is equal to not less than 65% of the grant are hereby declared
42 to be null and void and shall have no force and effect.

43 Sec. 2.

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STATE BOARD OF REGENTS

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

Non-tiered course credit hour grant.....\$1,500,000

Provided, That the above agency shall make expenditures from the non-tiered course credit hour grant account during the fiscal year ending June 30, 2019, to establish a concurrent enrollment pilot program: *Provided further*, That such program shall offer qualified students enrolled in grades nine through 12 in a school district during school year 2018-2019 the opportunity to take English composition I through a postsecondary educational institution at no cost to such student.

Sec. 3.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2020, the following:

ABC early childhood intervention program.....\$3,520,000

Provided, That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: *Provided*, That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: *Provided further*, That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: *And provided further*, That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: *And provided further*, That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: *And provided further*, That the above agency may expend an amount not to exceed \$528,000 from such account for research and evaluation of processes utilized by or related to such program.

Sec. 4.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2021, the following:

ABC early childhood intervention program.....\$5,280,000

Provided, That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: *Provided*, That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: *Provided further*, That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk

1 with services to be provided by trained parent coaches: *And provided*
2 *further*; That the above agency shall work in collaboration with and
3 operationally fund the bureau of family health in the department for health
4 and environment in the development, implementation and expansion of
5 such program: *And provided further*; That both the above agency and the
6 bureau of family health in the department for health and environment shall
7 consult with the united methodist health ministry fund for the duration of
8 the program: *And provided further*; That the above agency may expend an
9 amount not to exceed \$792,000 from such account for research and
10 evaluation of processes utilized by or related to such program.

11 Sec. 5. K.S.A. 2017 Supp. 72-5132 is hereby amended to read as
12 follows: 72-5132. As used in the Kansas school equity and enhancement
13 act, K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

14 (a) "Adjusted enrollment" means the enrollment of a school district
15 adjusted by adding the following weightings, if any, to the enrollment of a
16 school district: At-risk student weighting; bilingual weighting; career
17 technical education weighting; declining enrollment weighting; high-
18 density at-risk student weighting; ~~high enrollment weighting; low~~
19 enrollment weighting; school facilities weighting; ancillary school
20 facilities weighting; cost-of-living weighting; special education and related
21 services weighting; and transportation weighting.

22 (b) "Ancillary school facilities weighting" means an addend
23 component assigned to the enrollment of school districts pursuant to
24 K.S.A. 2017 Supp. 72-5158, and amendments thereto, on the basis of costs
25 attributable to commencing operation of one or more new school facilities
26 by such school districts.

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

30 (2) The term "at-risk student" shall not include any student enrolled
31 in *kindergarten* or any of the grades one through 12 who is in attendance
32 less than full time, or any student who is over 19 years of age. The
33 provisions of this paragraph shall not apply to any student who has an
34 individualized education program.

35 (d) "At-risk student weighting" means an addend component assigned
36 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
37 5151(a), and amendments thereto, on the basis of costs attributable to the
38 maintenance of at-risk educational programs by such school districts.

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

- 42 (1) ~~For school year 2017-2018, \$4,006;~~
43 (2) For school year 2018-2019, ~~\$4,128~~ \$4,258;

1 (2) *for school year 2019-2020, \$4,334;*
2 (3) *for school year 2020-2021, \$4,412;*
3 (4) *for school year 2021-2022, \$4,492;*
4 (5) *for school year 2022-2023, \$4,574; and*
5 ~~(3)~~(6) *for school year ~~2019-2020~~ 2023-2024, and each school year*
6 *thereafter, the BASE aid shall be the BASE aid amount for the*
7 *immediately preceding school year plus an amount equal to the average*
8 *percentage increase in the consumer price index for all urban consumers in*
9 *the midwest region as published by the bureau of labor statistics of the*
10 *United States department of labor during the three immediately preceding*
11 *school years.*

12 (f) "Bilingual weighting" means an addend component assigned to
13 the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5150,
14 and amendments thereto, on the basis of costs attributable to the
15 maintenance of bilingual educational programs by such school districts.

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

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

19 (i) "Categorical fund" means and includes the following funds of a
20 school district: Adult education fund; adult supplementary education fund;
21 at-risk education fund; bilingual education fund; career and postsecondary
22 education fund; driver training fund; educational excellence grant program
23 fund; extraordinary school program fund; food service fund; parent
24 education program fund; preschool-aged at-risk education fund;
25 professional development fund; special education fund; and summer
26 program fund.

27 (j) "Cost-of-living weighting" means an addend component assigned
28 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
29 5159, and amendments thereto, on the basis of costs attributable to the cost
30 of living in such school districts.

31 (k) "Current school year" means the school year during which state
32 foundation aid is determined by the state board under K.S.A. 2017 Supp.
33 72-5134, and amendments thereto.

34 (l) "Declining enrollment weighting" means an addend component
35 assigned to the enrollment of school districts pursuant to K.S.A. 2017
36 Supp. 72-5160, and amendments thereto, on the basis of costs attributable
37 to the declining enrollment of such school districts.

38 (m) "Enrollment" means:

39 (1) The number of students regularly enrolled in kindergarten and
40 grades one through 12 in the school district on September 20 of the
41 preceding school year plus the number of preschool-aged at-risk students
42 regularly enrolled in the school district on September 20 of the current
43 school year, except a student who is a foreign exchange student shall not

1 be counted unless such student is regularly enrolled in the school district
2 on September 20 and attending kindergarten or any of the grades one
3 through 12 maintained by the school district for at least one semester or
4 two quarters, or the equivalent thereof.

5 (2) If the enrollment in a school district in the preceding school year
6 has decreased from enrollment in the second preceding school year, the
7 enrollment of the school district in the current school year means the sum
8 of:

9 (A) The enrollment in the second preceding school year, excluding
10 students under paragraph (2)(B), minus enrollment in the preceding school
11 year of preschool-aged at-risk students, if any, plus enrollment in the
12 current school year of preschool-aged at-risk students, if any; and

13 (B) the adjusted enrollment in the second preceding school year of
14 any students participating in the tax credit for low income students
15 scholarship program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and
16 amendments thereto, in the preceding school year, if any, plus the adjusted
17 enrollment in the preceding school year of preschool-aged at-risk students
18 who are participating in the tax credit for low income students scholarship
19 program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and amendments
20 thereto, in the current school year, if any.

21 (3) For any school district that has a military student, as that term is
22 defined in K.S.A. 2017 Supp. 72-5139, and amendments thereto, enrolled
23 in such district, and that received federal impact aid for the preceding
24 school year, if the enrollment in such school district in the preceding
25 school year has decreased from enrollment in the second preceding school
26 year, the enrollment of the school district in the current school year means
27 whichever is the greater of:

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

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

32 (i) The enrollment of the school district in the preceding school year
33 minus the enrollment in such school year of preschool-aged at-risk
34 students, if any;

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

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

40 (4) (A) For school year 2017-2018, the enrollment determined under
41 paragraph (1), (2) or (3), except if the school district offers kindergarten on
42 a full-time basis in such school year, students regularly enrolled in
43 kindergarten in the school district in the preceding school year shall be

1 counted as one student regardless of actual attendance during such
2 preceding school year.

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

9 (n) *"Enrollment weighting" means an addend component assigned to*
10 *the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149,*
11 *and amendments thereto, on the basis of costs attributable to maintenance*
12 *of educational programs by such school districts.*

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

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

25 ~~(q)~~(q) "General fund" means the fund of a school district from which
26 operating expenses are paid and in which is deposited all amounts of state
27 foundation aid provided under this act, payments under K.S.A. 2017 Supp.
28 72-528, and amendments thereto, payments of federal funds made
29 available under the provisions of title I of public law 874, except amounts
30 received for assistance in cases of major disaster and amounts received
31 under the low-rent housing program and such other moneys as are
32 provided by law.

33 ~~(r)~~(r) "General fund budget" means the amount budgeted for
34 operating expenses in the general fund of a school district.

35 ~~(s)~~(s) "High-density at-risk student weighting" means an addend
36 component assigned to the enrollment of school districts pursuant to
37 K.S.A. 2017 Supp. 72-5151(b), and amendments thereto, on the basis of
38 costs attributable to the maintenance of at-risk educational programs by
39 such school districts.

40 ~~(s)~~ "High enrollment weighting" means an addend component
41 assigned to the enrollment of school districts pursuant to K.S.A. 2017
42 Supp. 72-5149(b), and amendments thereto, on the basis of costs
43 attributable to maintenance of educational programs by such school

1 ~~districts.~~

2 (t) "Juvenile detention facility" means the same as such term is
3 defined in K.S.A. 2017 Supp. 72-1173, and amendments thereto.

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

5 (1) An amount equal to any unexpended and unencumbered balance
6 remaining in the general fund of the school district, except moneys
7 received by the school district and authorized to be expended for the
8 purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments
9 thereto;

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

13 (3) an amount equal to the amount deposited in the general fund in
14 the current school year from moneys received in such school year by the
15 school district under the provisions of K.S.A. 2017 Supp. 72-3123(a), and
16 amendments thereto;

17 (4) an amount equal to the amount deposited in the general fund in
18 the current school year from moneys received in such school year by the
19 school district pursuant to contracts made and entered into under authority
20 of K.S.A. 2017 Supp. 72-3125, and amendments thereto;

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

27 (6) an amount equal to the amount of payments received by the
28 school district under the provisions of K.S.A. 2017 Supp. 72-3423, and
29 amendments thereto;

30 (7) an amount equal to the amount of any grant received by the
31 school district under the provisions of K.S.A. 2017 Supp. 72-3425, and
32 amendments thereto; and

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

35 ~~(v) "Low enrollment weighting" means an addend component~~
36 ~~assigned to the enrollment of school districts pursuant to K.S.A. 2017~~
37 ~~Supp. 72-5149(a), and amendments thereto, on the basis of costs~~
38 ~~attributable to maintenance of educational programs by such school~~
39 ~~districts.~~

40 ~~(w)~~ "Operating expenses" means the total expenditures and lawful
41 transfers from the general fund of a school district during a school year for
42 all purposes, except expenditures for the purposes specified in K.S.A.
43 2017 Supp. 72-5168, and amendments thereto.

1 ~~(x)~~(w) "Preceding school year" means the school year immediately
2 before the current school year.

3 ~~(y)~~(x) "Preschool-aged at-risk student" means: (1) An at-risk student
4 who has attained the age of four years, is under the age of eligibility for
5 attendance at kindergarten, and has been selected by the state board in
6 accordance with guidelines governing the selection of students for
7 participation in head start programs; and

8 (2) *an at-risk student who has attained the age of three years, is*
9 *under the age of eligibility for attendance at kindergarten and has been*
10 *selected by the state board in accordance with guidelines governing the*
11 *selection of students for participation in head start programs as long as*
12 *such students do not replace four-year old preschool-aged at-risk students*
13 *and only fill available openings.*

14 ~~(z)~~(y) "Preschool-aged exceptional children" means exceptional
15 children, except gifted children, who have attained the age of three years
16 but are under the age of eligibility for attendance at kindergarten. The
17 terms "exceptional children" and "gifted children" have the same meaning
18 as those terms are defined in K.S.A. 2017 Supp. 72-3404, and amendments
19 thereto.

20 ~~(aa)~~(z) "Psychiatric residential treatment facility" means the same as
21 such term is defined in K.S.A. 2017 Supp. 72-1173, and amendments
22 thereto.

23 ~~(bb)~~(aa) "School district" means a school district organized under the
24 laws of this state that is maintaining public school for a school term in
25 accordance with the provisions of K.S.A. 2017 Supp. 72-3115, and
26 amendments thereto.

27 ~~(ee)~~(bb) "School facilities weighting" means an added component
28 assigned to the enrollment of school districts pursuant to K.S.A. 2017
29 Supp. 72-5156, and amendments thereto, on the basis of costs attributable
30 to commencing operation of one or more new school facilities by such
31 school districts.

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

33 ~~(ee)~~(dd) "September 20" has its usual meaning, except that in any
34 year in which September 20 is not a day on which school is maintained, it
35 means the first day after September 20 on which school is maintained.

36 ~~(ff)~~(ee) "Special education and related services weighting" means an
37 addend component assigned to the enrollment of school districts pursuant
38 to K.S.A. 2017 Supp. 72-5157, and amendments thereto, on the basis of
39 costs attributable to the maintenance of special education and related
40 services by such school districts.

41 ~~(gg)~~(ff) "State board" means the state board of education.

42 ~~(hh)~~(gg) "State foundation aid" means the amount of aid distributed
43 to a school district as determined by the state board pursuant to K.S.A.

1 2017 Supp. 72-5134, and amendments thereto.

2 ~~(i)~~(hh) (1) "Student" means any person who is regularly enrolled in a
3 school district and attending kindergarten or any of the grades one through
4 12 maintained by the school district or who is regularly enrolled in a
5 school district and attending kindergarten or any of the grades one through
6 12 in another school district in accordance with an agreement entered into
7 under authority of K.S.A. 2017 Supp. 72-13,101, and amendments thereto,
8 or who is regularly enrolled in a school district and attending special
9 education services provided for preschool-aged exceptional children by the
10 school district.

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

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

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

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

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

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

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

26 (D) A student enrolled in and attending an institution of
27 postsecondary education that is authorized under the laws of this state to
28 award academic degrees shall be counted as one student if the student's
29 postsecondary education enrollment and attendance together with the
30 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time,
31 otherwise the student shall be counted as that proportion of one student (to
32 the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education
33 attendance and attendance in grades 11 or 12, as applicable, bears to full-
34 time attendance.

35 (E) A student enrolled in and attending a technical college, a career
36 technical education program of a community college or other approved
37 career technical education program shall be counted as one student, if the
38 student's career technical education attendance together with the student's
39 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
40 the student shall be counted as that proportion of one student (to the
41 nearest $\frac{1}{10}$) that the total time of the student's career technical education
42 attendance and attendance in any of grades nine through 12 bears to full-
43 time attendance.

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

5 (G) A student enrolled in a school district and attending special
6 education and related services provided for by the school district and also
7 attending a virtual school shall be counted as that proportion of one
8 student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual
9 school bears to full-time attendance.

10 (H) (i) Except as provided in clause (ii), a student enrolled in a school
11 district who is not a resident of Kansas shall be counted as follows:

12 (a) For school years 2017-2018 and 2018-2019, one student;
13 (b) for school year 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and
14 (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a
15 student.

16 (ii) This subparagraph (H) shall not apply to:

17 (a) A student whose parent or legal guardian is an employee of the
18 school district where such student is enrolled; or

19 (b) a student who attended public school in Kansas during school
20 year 2016-2017 and who attended public school in Kansas during the
21 immediately preceding school year.

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

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

24 (B) except as provided in subsection ~~(ii)(2)~~ (hh)(2), an individual
25 confined in and receiving educational services provided for by a school
26 district at a juvenile detention facility; and

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

30 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et
31 seq., and amendments thereto, shall be counted in accordance with the
32 provisions of K.S.A. 2017 Supp. 72-3715, and amendments thereto.

33 ~~(jj)~~(ii) "Total foundation aid" means an amount equal to the product
34 obtained by multiplying the BASE aid by the adjusted enrollment of a
35 school district.

36 ~~(kk)~~(jj) "Transportation weighting" means an addend component
37 assigned to the enrollment of school districts pursuant to K.S.A. 2017
38 Supp. 72-5148, and amendments thereto, on the basis of costs attributable
39 to the provision or furnishing of transportation.

40 ~~(H)~~(kk) "Virtual school" means the same as such term is defined in
41 K.S.A. 2017 Supp. 72-3712, and amendments thereto.

42 Sec. 6. K.S.A. 2017 Supp. 72-5141 is hereby amended to read as
43 follows: 72-5141. (a) *Notwithstanding the provisions of subsection (b), for*

1 any school district formed by consolidation in accordance with article 7 of
2 chapter 72 of the Kansas Statutes Annotated, and amendments thereto, in
3 school years 2018-2019, 2019-2020 and 2020-2021, the state board shall
4 determine the total foundation aid of any such school district as the
5 greater of either the amount determined under this act or the amount
6 determined as follows:

7 (1) Determine the sum of the amount of the total foundation aid
8 received by each of the former school districts that comprise the
9 consolidated school district in the school year preceding the date the
10 consolidation was completed;

11 (2) for the first school year following the date of consolidation, the
12 total foundation aid shall be 105% of the sum determined under
13 subsection (a)(1);

14 (3) for the second school year following the date of consolidation, the
15 total foundation aid shall be 104% of the sum determined under
16 subsection (a)(1);

17 (4) for the third school year following the date of consolidation, the
18 total foundation aid shall be 103% of the sum determined under
19 subsection (a)(1);

20 (5) for the fourth school year following the date of consolidation, the
21 total foundation aid shall be 102% of the sum determined under
22 subsection (a)(1);

23 (6) for the fifth school year following the date of consolidation, the
24 total foundation aid shall be 101% of the sum determined under
25 subsection (a)(1);

26 (7) for the sixth school year following the date of consolidation, the
27 total foundation aid shall be 100% of the sum determined under
28 subsection (a)(1); and

29 (8) for the seventh school year following the date of consolidation
30 and each school year thereafter, the total foundation aid shall be
31 determined as provided under this act.

32 (b) (1) Except as provided in subsection (a), for the purposes of this
33 act, the total foundation aid for any school district formed by consolidation
34 in accordance with the statutory provisions contained in article 7 of
35 chapter 72 of the Kansas Statutes Annotated, and amendments thereto,
36 shall be computed by the state board by determining the amount of the
37 total foundation aid each of the former school districts that comprise the
38 consolidated school district received in the school year preceding the date
39 the consolidation was completed, and calculating the sum of such
40 amounts. The sum is the total foundation aid of the consolidated school
41 district for the school year in which the consolidation was completed.

42 (2) If any of the former school districts had an enrollment of less than
43 150 students in the school year preceding the consolidation, the total

1 foundation aid of the newly consolidated school district for the two school
2 years following the school year in which the consolidation was completed
3 shall be the greater of: (A) The amount received in the school year in
4 which the consolidation was completed; or (B) the amount the school
5 district would receive under this act.

6 (3) If all of the former school districts had an enrollment of at least
7 150 students, but any had less than 200 students in the school year
8 preceding the consolidation, the total foundation aid of the newly
9 consolidated school district for the three school years following the school
10 year in which the consolidation was completed shall be the greater of: (A)
11 The amount received in the school year in which the consolidation was
12 completed; or (B) the amount the school district would receive under this
13 act.

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

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

28 ~~(b)~~(c) (1) The provisions of this subsection shall apply to school
29 districts that have been enlarged by the attachment of territory pursuant to
30 the procedure established in article 6 of chapter 72 of the Kansas Statutes
31 Annotated, and amendments thereto.

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

40 (3) If any of the former school districts had an enrollment of less than
41 150 students in the school year preceding the attachment, the total
42 foundation aid of the enlarged school district for the two school years
43 following the school year in which the attachment was completed shall be

1 the greater of: (A) The amount received in the school year in which the
2 attachment was completed; or (B) the amount the school district would
3 receive under this act.

4 (4) If all of the former school districts had an enrollment of at least
5 150 students, but any had less than 200 students in the school year
6 preceding the attachment, the total foundation aid of the enlarged school
7 district for the three school years following the school year in which the
8 attachment was completed shall be the greater of: (A) The amount
9 received in the school year in which the attachment was completed; or (B)
10 the amount the school district would receive under this act.

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

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

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

1 and attachment was completed to each of the enlarged school districts in
2 the same proportion the assessed valuation of the territory attached to each
3 school district bears to the assessed valuation of the former school district;
4 and (F) add the amounts determined under subparagraphs (B) and (E). The
5 sum is the total foundation aid of the enlarged school district for the school
6 year in which the attachment is completed.

7 Sec. 7. K.S.A. 2017 Supp. 72-5144 is hereby amended to read as
8 follows: 72-5144. (a) (1) Subject to the provisions of subsection (e), the
9 provisions of this subsection shall apply in any school year in which the
10 amount of BASE aid is ~~\$4,490~~ \$4,600 or less.

11 (2) The board of education of a school district may adopt a local
12 option budget that does not exceed the local option budget calculated as if
13 the BASE aid was ~~\$4,490~~ \$4,600, or that does not exceed the local option
14 budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and
15 amendments thereto, whichever is greater.

16 (b) The board of education of a school district may adopt a local
17 option budget that does not exceed the local option budget calculated as if
18 the school district received state aid for special education and related
19 services equal to the amount of state aid for special education and related
20 services received in school year 2008-2009, or that does not exceed the
21 local option budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143,
22 and amendments thereto, whichever is greater.

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

25 (d) To the extent that the provisions of K.S.A. 2017 Supp. 72-5143,
26 and amendments thereto, conflict with this section, this section shall
27 control.

28 (e) For school year 2019-2020, and each school year thereafter, the
29 specified dollar amount used in subsection (a) for purposes of determining
30 the local option budget of a school district shall be the specified dollar
31 amount used for the immediately preceding school year plus an amount
32 equal to the average percentage increase in the consumer price index for
33 all urban consumers in the midwest region as published by the bureau of
34 labor statistics of the United States department of labor during the three
35 immediately preceding school years.

36 Sec. 8. K.S.A. 2017 Supp. 72-5149 is hereby amended to read as
37 follows: 72-5149. ~~(a)~~ The ~~low~~ enrollment weighting of ~~each~~ a school
38 district shall be determined by the state board as follows:

39 ~~(+)~~(a) For school districts with an enrollment of fewer than 100
40 students, multiply the enrollment of the school district by ~~1.014331~~
41 ~~0.979291~~. The resulting product is the ~~low~~ enrollment weighting of the
42 school district;

43 ~~(2)~~(b) for school districts with an enrollment of at least 100 students,

1 but fewer than 300 students:

2 ~~(A)(1)~~ Subtract 100 from the enrollment of the school district;

3 ~~(B)(2)~~ multiply the difference obtained under subsection-~~(a)(2)(A)~~ (b)
4 (1) by 9.655;

5 ~~(C)(3)~~ subtract the product obtained under subsection-~~(a)(2)(B)~~ (b)(2)
6 from 7,337;

7 ~~(D)(4)~~ divide the difference obtained under subsection-~~(a)(2)(C)~~ (b)
8 (3) by 3,642.4;

9 ~~(E)(5)~~ subtract ~~one~~ 1.03504 from the quotient obtained under
10 subsection-~~(a)(2)(D)~~ (b)(4); and

11 ~~(F)(6)~~ multiply the difference obtained under subsection-~~(a)(2)(E)~~ (b)
12 (5) by the enrollment of the school district. The resulting product is the
13 ~~low~~ enrollment weighting of the school district;

14 ~~(3)(c)~~ for school districts with an enrollment of at least 300 students,
15 but fewer than 1,622 students:

16 ~~(A)(1)~~ Subtract 300 from the enrollment of the school district;

17 ~~(B)(2)~~ multiply the difference obtained under subsection-~~(a)(3)(A)~~ (c)
18 (1) by 1.2375;

19 ~~(C)(3)~~ subtract the product obtained under subsection-~~(a)(3)(B)~~ (c)(2)
20 from 5,406;

21 ~~(D)(4)~~ divide the difference obtained under subsection-~~(a)(3)(C)~~ (c)
22 (3) by 3,642.4;

23 ~~(E)(5)~~ subtract ~~one~~ 1.03504 from the quotient obtained under
24 subsection-~~(e)(D)~~ (c)(4); and

25 ~~(F)(6)~~ multiply the difference obtained under subsection-~~(a)(3)(E)~~ (c)
26 (5) by the enrollment of the school district. The resulting product is the
27 ~~low~~ enrollment weighting of the school district.

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

31 Sec. 9. K.S.A. 2017 Supp. 72-5155 is hereby amended to read as
32 follows: 72-5155. ~~(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 Sec. 10. K.S.A. 2017 Supp. 72-5171 is hereby amended to read as
39 follows: 72-5171. (a) On or before January 15 of each year, the state
40 department of education shall prepare and submit reports on school district
41 funding for each school district to the governor and the legislature.

42 (b) Each report shall contain the information described in subsection
43 (c) for the school district in terms of actual dollar amounts for the second

1 and immediately preceding school years and budgeted dollar amounts for
2 the current school year.

3 (c) Each report shall contain the following information for the school
4 district:

5 (1) Full-time equivalent enrollment;

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

9 (3) total general and supplemental general funds, including a showing
10 of funding provided by federal sources, state sources and local sources,
11 and total funds per student;

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

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

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

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

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

25 (A) BASE aid;

26 ~~(B) high enrollment weighting;~~

27 ~~(C) low enrollment weighting;~~

28 ~~(D)~~(C) school facilities weighting;

29 ~~(E)~~(D) transportation weighting;

30 ~~(F)~~(E) at-risk student weighting;

31 ~~(G)~~(F) preschool-aged at-risk student weighting;

32 ~~(H)~~(G) high-density at-risk student weighting;

33 ~~(I)~~(H) career technical education weighting;

34 ~~(J)~~(I) special education and related services weighting;

35 ~~(K)~~(J) bilingual weighting;

36 ~~(L)~~(K) ancillary school facilities weighting;

37 ~~(M)~~(L) cost-of-living weighting;

38 ~~(N)~~(M) declining enrollment weighting; and

39 ~~(O)~~(N) virtual school state aid;

40 (9) total expenditures on the following:

41 (A) At-risk education programs and services;

42 (B) preschool-aged at-risk education programs and services;

43 (C) bilingual education programs and services;

- 1 (D) career and technical education programs and services;
- 2 (E) special education and related services; and
- 3 (F) virtual school programs and services; ~~and~~
- 4 (10) total expenditures from the special retirement contributions
- 5 fund; *and*
- 6 (11) *general obligation bond indebtedness*.

7 (d) The state board shall provide uniform guidelines for what
8 constitutes total expenditures for the programs and services listed under
9 subsection (c)(9).

10 Sec. 11. K.S.A. 2017 Supp. 72-5173 is hereby amended to read as
11 follows: 72-5173. The legislative post audit committee shall direct the
12 legislative division of post audit to conduct the following performance
13 audits in the fiscal year specified:

14 (a) A performance audit of transportation services funding. The audit
15 should include a comparison of the amount of transportation services
16 funding school districts receive to the cost of providing transportation
17 services. This performance audit shall be conducted during fiscal year
18 2018, and the final audit report shall be submitted to the legislature on or
19 before January 15, 2018.

20 (b) A performance audit of at-risk education funding. The audit
21 should evaluate the method of counting students for at-risk education
22 funding, the level of the at-risk student weighting and high-density at-risk
23 student weighting under the act and how school districts are expending
24 moneys provided for at-risk education. This performance audit shall be
25 conducted during fiscal year ~~2020~~ 2021, and the final audit report shall be
26 submitted to the legislature on or before January 15, ~~2020~~ 2021.

27 (c) A performance audit of bilingual education funding. The audit
28 should evaluate the method of counting students for bilingual education
29 funding, the level of the bilingual weighting under the act and how school
30 districts are expending moneys provided for bilingual education. This
31 performance audit shall be conducted during fiscal year 2023, and the final
32 audit report shall be submitted to the legislature on or before January 15,
33 2023.

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

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

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

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

43 (4) the effectiveness of each virtual school program with respect to

1 student performance and outcomes.

2 The audit shall be conducted during fiscal year ~~2024~~ 2019, and the final
3 audit report shall be submitted to the legislature on or before January 15,
4 ~~2024~~ 2019.

5 (e) (1) A performance audit to provide a reasonable estimate of the
6 cost of providing educational opportunities for every public school student
7 in Kansas to achieve the performance outcome standards adopted by the
8 state board of education. This performance audit shall be conducted ~~three~~
9 ~~times as follows:~~

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

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

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

16 (2) ~~Each~~ The performance audit required under this subsection shall:

17 (A) Include reasonable estimates of the costs of providing specialized
18 education services as required by law, including, but not limited to, ~~special~~
19 ~~education and related services~~, bilingual education and at-risk programs;
20 and

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

24 (3) In conducting ~~each~~ the performance audit required under this
25 subsection:

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

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

32 (f) A performance audit to ~~identify best practices in successful~~
33 ~~schools. The audit should include a comparison of the educational methods~~
34 ~~and other practices of demographically similar school districts that achieve~~
35 ~~significantly different student outcomes based on performance outcome~~
36 ~~standards adopted by the state board of education. This performance audit~~
37 ~~shall be conducted during fiscal year 2021, and the final audit report shall~~
38 ~~be submitted to the legislature on or before January 15, 2021. The audit~~
39 ~~shall be conducted a second time during fiscal year 2026, and the final~~
40 ~~audit report shall be submitted to the legislature on or before January 15,~~
41 ~~2026 provide a reasonable estimate of the costs of providing special~~
42 ~~education and related services, including, but not limited to, other factors~~
43 ~~which may contribute to variations in costs incurred by school districts.~~

1 *This performance audit shall be conducted during fiscal year 2020, and*
2 *the final audit report shall be submitted to the legislature on or before*
3 *January 15, 2020.*

4 Sec. 12. K.S.A. 2017 Supp. 72-5461 is hereby amended to read as
5 follows: 72-5461. (a) Upon receiving an application under K.S.A. 2017
6 Supp. 72-5460, and amendments thereto, the state board of education shall
7 review the application and examine the evidence furnished in support of
8 the application.

9 (b) (1) Commencing in school year 2017-2018, the state board of
10 education shall not approve any application submitted during the current
11 school year if such approval would result in the aggregate amount of all
12 general obligation bonds approved by the state board for such school year
13 exceeding the aggregate principal amount of all general obligation bonds
14 retired in the immediately preceding school year *as determined by the*
15 *state board of education pursuant to subsection (e). For any application*
16 *submitted during the current school year in excess of \$200,000,000, the*
17 *state board shall apply an amount of \$200,000,000 when determining*
18 *whether the aggregate principal amount of all general obligation bonds*
19 *retired in the immediately preceding school year has been exceeded.*

20 (2) In determining whether to approve an application, the state board
21 shall prioritize applications in accordance with the priorities set forth as
22 follows in order of highest priority to lowest priority:

23 (A) Safety of the current facility and disability access to such facility
24 as demonstrated by a state fire marshal report, an inspection under the
25 Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other similar
26 evaluation;

27 (B) enrollment growth and imminent overcrowding as demonstrated
28 by successive increases in enrollment of the school district in the
29 immediately preceding three school years;

30 (C) impact on the delivery of educational services as demonstrated by
31 restrictive inflexible design or limitations on installation of technology;
32 and

33 (D) energy usage and other operational inefficiencies as demonstrated
34 by a district-wide energy usage analysis, district-wide architectural
35 analysis or other similar evaluation.

36 ~~(2)~~(3) The state board shall not consider a school district's eligibility
37 for capital improvement state aid, or the amount of capital improvement
38 state aid a school district would be eligible to receive, in determining
39 whether to approve such district's application.

40 ~~(3)~~(4) The provisions of subsection (b)(1) *and* (2) shall not apply to
41 school districts that have not issued any general obligation bonds in the 25
42 years prior to the current school year.

43 (c) After reviewing the application and examining the supportive

1 evidence, the state board of education shall issue an order either granting
2 or denying the application. If the application is approved, the applicant
3 board of education shall request the county election officer to hold an
4 election to vote upon the question of issuing the increased amount of
5 bonds in the manner provided by law.

6 (d) Any application that is denied pursuant to subsection (b) may be
7 tentatively approved by the state board of education for the immediately
8 succeeding school year. The amount of general obligation bonds approved
9 in any such application shall be counted first towards the aggregate
10 amount of all general obligation bonds approved by the state board for
11 such school year.

12 (e) Commencing in school year 2017-2018, the state board of
13 education shall determine the aggregate principal amount of general
14 obligation bonds retired in the immediately preceding school year. *In*
15 *determining such amount, the state board of education shall adjust the*
16 *aggregate principal amount of general obligation bonds retired in the*
17 *immediately preceding school year by the three-year compounded*
18 *producer price index industry data for new school building as reported by*
19 *the bureau of labor statistics.*

20 (f) The provisions of subsections (b), (d) and (e) shall expire on June
21 30, 2022.

22 Sec. 13. K.S.A. 2017 Supp. 72-5132, 72-5141, 72-5144, 72-5149, 72-
23 5155, 72-5171, 72-5173 and 72-5461 are hereby repealed.

24 Sec. 14. This act shall take effect and be in force from and after its
25 publication in the statute book.