

Substitute for 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.

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

14 Section 1.

DEPARTMENT OF EDUCATION

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

Table with 2 columns: Description and Amount. Rows include State foundation aid (\$20,720,000), Special education services aid (\$12,000,000), Supplemental state aid (\$1,620,000), ACT and workkeys assessments program (\$2,800,000), and Mentor teacher (\$500,000).

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.

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~~ **{Concurrent enrollment pilot program}**.....\$1,500,000

Provided, That the above agency shall make expenditures from the ~~non-tiered course credit hour grant~~ **{concurrent enrollment pilot program}** 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

1 shall connect parents and legal guardians of children between the ages of
2 six months and four years who are identified as early childhood at-risk
3 with services to be provided by trained parent coaches: *And provided*
4 *further*, That the above agency shall work in collaboration with and
5 operationally fund the bureau of family health in the department for health
6 and environment in the development, implementation and expansion of
7 such program: *And provided further*, That both the above agency and the
8 bureau of family health in the department for health and environment shall
9 consult with the united methodist health ministry fund for the duration of
10 the program: *And provided further*, That the above agency may expend an
11 amount not to exceed \$792,000 from such account for research and
12 evaluation of processes utilized by or related to such program.

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

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

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

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

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

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

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

1 (1) ~~For school year 2017-2018, \$4,006;~~
2 ~~(2) For school year 2018-2019, \$4,128~~ \$4,258;
3 (2) *for school year 2019-2020, \$4,334;*
4 (3) *for school year 2020-2021, \$4,412;*
5 (4) *for school year 2021-2022, \$4,492;*
6 (5) *for school year 2022-2023, \$4,574;* and
7 ~~(3)(6)~~ *for school year 2019-2020 2023-2024*, and each school year
8 thereafter, the BASE aid shall be the BASE aid amount for the
9 immediately preceding school year plus an amount equal to the average
10 percentage increase in the consumer price index for all urban consumers in
11 the midwest region as published by the bureau of labor statistics of the
12 United States department of labor during the three immediately preceding
13 school years.

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

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

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

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

29 (j) "Cost-of-living weighting" means an addend component assigned
30 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
31 5159, and amendments thereto, on the basis of costs attributable to the cost
32 of living in such school districts.

33 (k) "Current school year" means the school year during which state
34 foundation aid is determined by the state board under K.S.A. 2017 Supp.
35 72-5134, and amendments thereto.

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

40 (m) "Enrollment" means:

41 (1) The number of students regularly enrolled in kindergarten and
42 grades one through 12 in the school district on September 20 of the
43 preceding school year plus the number of preschool-aged at-risk students

1 regularly enrolled in the school district on September 20 of the current
2 school year, except a student who is a foreign exchange student shall not
3 be counted unless such student is regularly enrolled in the school district
4 on September 20 and attending kindergarten or any of the grades one
5 through 12 maintained by the school district for at least one semester or
6 two quarters, or the equivalent thereof.

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

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

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

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

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

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

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

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

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

42 (4) (A) For school year 2017-2018, the enrollment determined under
43 paragraph (1), (2) or (3), except if the school district offers kindergarten on

1 a full-time basis in such school year, students regularly enrolled in
2 kindergarten in the school district in the preceding school year shall be
3 counted as one student regardless of actual attendance during such
4 preceding school year.

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

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

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

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

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

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

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

42 ~~(s) "High enrollment weighting" means an addend component~~
43 ~~assigned to the enrollment of school districts pursuant to K.S.A. 2017-~~

1 ~~Supp. 72-5149(b), and amendments thereto, on the basis of costs~~
2 ~~attributable to maintenance of educational programs by such school~~
3 ~~districts.~~

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

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

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

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

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

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

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

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

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

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

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

42 ~~(w) "Operating expenses" means the total expenditures and lawful~~
43 ~~transfers from the general fund of a school district during a school year for~~

1 all purposes, except expenditures for the purposes specified in K.S.A.
2 2017 Supp. 72-5168, and amendments thereto.

3 ~~(x)~~(w) "Preceding school year" means the school year immediately
4 before the current school year.

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

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

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

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

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

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

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

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

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

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

1 ~~(hh)~~(gg) "State foundation aid" means the amount of aid distributed
2 to a school district as determined by the state board pursuant to K.S.A.
3 2017 Supp. 72-5134, and amendments thereto.

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

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

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

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

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

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

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

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

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

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

1 attendance and attendance in any of grades nine through 12 bears to full-
2 time attendance.

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

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

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

14 (a) For school years 2017-2018 and 2018-2019, one student;

15 (b) for school year 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and

16 (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a
17 student.

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

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

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

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

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

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

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

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

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

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

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

1 Sec. 6. K.S.A. 2017 Supp. 72-5141 is hereby amended to read as
2 follows: 72-5141. (a) *Notwithstanding the provisions of subsection (b), for*
3 *any school district formed by consolidation in accordance with article 7 of*
4 *chapter 72 of the Kansas Statutes Annotated, and amendments thereto, in*
5 *school years 2018-2019, 2019-2020 and 2020-2021, the state board shall*
6 *determine the total foundation aid of any such school district as the*
7 *greater of either the amount determined under this act or the amount*
8 *determined as follows:*

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

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

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

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

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

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

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

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

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

1 (2) If any of the former school districts had an enrollment of less than
2 150 students in the school year preceding the consolidation, the total
3 foundation aid of the newly consolidated school district for the two school
4 years following the school year in which the consolidation was completed
5 shall be the greater of: (A) The amount received in the school year in
6 which the consolidation was completed; or (B) the amount the school
7 district would receive under this act.

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

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

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

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

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

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

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

6 (4) 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 attachment, the total foundation aid of the enlarged school
9 district for the three school years following the school year in which the
10 attachment was completed shall be the greater of: (A) The amount
11 received in the school year in which the attachment was completed; or (B)
12 the amount the school district would receive under this act.

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

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

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

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

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

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

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

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

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

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

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

41 ~~(+)(a)~~ For school districts with an enrollment of fewer than 100
42 students, multiply the enrollment of the school district by ~~1.014331~~
43 ~~0.979291~~. The resulting product is the ~~low~~ enrollment weighting of the

1 school district;

2 ~~(2)(b)~~ for school districts with an enrollment of at least 100 students,
3 but fewer than 300 students:

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

5 ~~(B)(2)~~ multiply the difference obtained under subsection ~~(a)(2)(A)~~ (b)
6 (1) by 9.655;

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

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

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

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

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

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

19 ~~(B)(2)~~ multiply the difference obtained under subsection ~~(a)(3)(A)~~ (c)
20 (1) by 1.2375;

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

23 ~~(D)(4)~~ divide the difference obtained under subsection ~~(a)(3)(C)~~ (c)
24 (3) by 3,642.4;

25 ~~(E)(5)~~ subtract ~~one 1.03504~~ from the quotient obtained under
26 subsection ~~(c)(D)~~ (c)(4); and

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

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

33 Sec. 9. K.S.A. 2017 Supp. 72-5155 is hereby amended to read as
34 follows: 72-5155. ~~(a)~~ The career technical education weighting of each
35 school district shall be determined by the state board by multiplying the
36 full-time equivalent enrollment in approved career technical education
37 programs during the preceding school year by 0.5. The resulting product is
38 the career technical education weighting of the school district.

39 ~~(b) The provisions of this section shall expire on July 1, 2019.~~

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

1 (b) Each report shall contain the information described in subsection
2 (c) for the school district in terms of actual dollar amounts for the second
3 and immediately preceding school years and budgeted dollar amounts for
4 the current school year.

5 (c) Each report shall contain the following information for the school
6 district:

7 (1) Full-time equivalent enrollment;

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

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

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

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

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

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

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

27 (A) BASE aid;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

42 (9) total expenditures on the following:

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

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

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

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

16 (a) A performance audit of transportation services funding. The audit
17 should include a comparison of the amount of transportation services
18 funding school districts receive to the cost of providing transportation
19 services. This performance audit shall be conducted during fiscal year
20 2018, and the final audit report shall be submitted to the legislature on or
21 before January 15, 2018.

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

29 (c) A performance audit of bilingual education funding. The audit
30 should evaluate the method of counting students for bilingual education
31 funding, the level of the bilingual weighting under the act and how school
32 districts are expending moneys provided for bilingual education. This
33 performance audit shall be conducted during fiscal year 2023, and the final
34 audit report shall be submitted to the legislature on or before January 15,
35 2023.

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

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

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

- 1 (3) the scope of each virtual school program; and
2 (4) the effectiveness of each virtual school program with respect to
3 student performance and outcomes.

4 The audit shall be conducted during fiscal year ~~2024~~ 2019, and the final
5 audit report shall be submitted to the legislature on or before January 15,
6 ~~2024~~ 2019.

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

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

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

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

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

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

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

26 (3) In conducting ~~each~~ the performance audit required under this
27 subsection:

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

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

34 (f) A performance audit to ~~identify best practices in successful~~
35 ~~schools. The audit should include a comparison of the educational methods~~
36 ~~and other practices of demographically similar school districts that achieve~~
37 ~~significantly different student outcomes based on performance outcome~~
38 ~~standards adopted by the state board of education. This performance audit~~
39 ~~shall be conducted during fiscal year 2021, and the final audit report shall~~
40 ~~be submitted to the legislature on or before January 15, 2021. The audit~~
41 ~~shall be conducted a second time during fiscal year 2026, and the final~~
42 ~~audit report shall be submitted to the legislature on or before January 15,~~
43 ~~2026 provide a reasonable estimate of the costs of providing special~~

1 *education and related services, including, but not limited to, other factors*
2 *which may contribute to variations in costs incurred by school districts.*
3 *This performance audit shall be conducted during fiscal year 2020, and*
4 *the final audit report shall be submitted to the legislature on or before*
5 *January 15, 2020.*

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

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

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

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

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

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

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

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

42 ~~(3)~~(4) The provisions of subsection (b)(1) *and* (2) shall not apply to
43 school districts that have not issued any general obligation bonds in the 25

1 years prior to the current school year.

2 (c) After reviewing the application and examining the supportive
3 evidence, the state board of education shall issue an order either granting
4 or denying the application. If the application is approved, the applicant
5 board of education shall request the county election officer to hold an
6 election to vote upon the question of issuing the increased amount of
7 bonds in the manner provided by law.

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

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

22 (f) The provisions of subsections (b), (d) and (e) shall expire on June
23 30, 2022.

24 Sec. 13. K.S.A. 2017 Supp. 72-5132, 72-5141, 72-5144, 72-5149, 72-
25 5155, 72-5171, 72-5173 and 72-5461 are hereby repealed.

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