

SENATE BILL No. 341

By Committee on Education

1-13

1 AN ACT concerning education; relating to ~~the Kansas school equity and~~  
2 ~~enhancement act~~ **state aid**; removing federal impact aid from the  
3 determination of local foundation aid; **excluding Fort Leavenworth**  
4 **school district and virtual school students from the capital**  
5 **improvement state aid determination; extending the general**  
6 **obligation bond limitation**; amending K.S.A. 72-5135 **and 72-5461**  
7 and K.S.A. 2021 Supp. 72-5132 **and 72-5462** and repealing the existing  
8 sections.  
9

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

11 Section 1. K.S.A. 2021 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. 72-5131 et seq., and amendments thereto:

14 (a) "Adjusted enrollment" means the enrollment of a school district,  
15 excluding the remote enrollment determined pursuant to K.S.A. 2021  
16 Supp. 72-5180, and amendments thereto, adjusted by adding the following  
17 weightings, if any, to the enrollment of a school district: At-risk student  
18 weighting; bilingual weighting; career technical education weighting;  
19 high-density at-risk student weighting; high enrollment weighting; low  
20 enrollment weighting; school facilities weighting; ancillary school  
21 facilities weighting; cost-of-living weighting; special education and related  
22 services weighting; and transportation weighting.

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

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

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

36 (d) "At-risk student weighting" means an addend component assigned

1 to the enrollment of school districts pursuant to K.S.A. 72-5151(a), and  
2 amendments thereto, on the basis of costs attributable to the maintenance  
3 of at-risk educational programs by such school districts.

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

7 (1) For school year 2018-2019, \$4,165;

8 (2) for school year 2019-2020, \$4,436;

9 (3) for school year 2020-2021, \$4,569;

10 (4) for school year 2021-2022, \$4,706;

11 (5) for school year 2022-2023, \$4,846; and

12 (6) for school year 2023-2024, and each school year thereafter, the  
13 BASE aid shall be the BASE aid amount for the immediately preceding  
14 school year plus an amount equal to the average percentage increase in the  
15 consumer price index for all urban consumers in the midwest region as  
16 published by the bureau of labor statistics of the United States department  
17 of labor during the three immediately preceding school years rounded to  
18 the nearest whole dollar amount.

19 (f) "Bilingual weighting" means an addend component assigned to  
20 the enrollment of school districts pursuant to K.S.A. 72-5150, and  
21 amendments thereto, on the basis of costs attributable to the maintenance  
22 of bilingual educational programs by such school districts.

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

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

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

34 (j) "Cost-of-living weighting" means an addend component assigned  
35 to the enrollment of school districts pursuant to K.S.A. 72-5159, and  
36 amendments thereto, on the basis of costs attributable to the cost of living  
37 in such school districts.

38 (k) "Current school year" means the school year during which state  
39 foundation aid is determined by the state board under K.S.A. 72-5134, and  
40 amendments thereto.

41 (l) "Enrollment" means, except as provided in K.S.A. 2021 Supp. 72-  
42 5180, and amendments thereto:

43 (1) The number of students regularly enrolled in kindergarten and

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

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

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

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

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

32 (A) The enrollment determined under paragraph (2); or

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

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

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

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

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

6 (m) "February 20" has its usual meaning, except that in any year in  
7 which February 20 is not a day on which school is maintained, it means  
8 the first day after February 20 on which school is maintained.

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

18 (o) "General fund" means the fund of a school district from which  
19 operating expenses are paid and in which is deposited all amounts of state  
20 foundation aid provided under this act, payments under K.S.A. 72-528,  
21 and amendments thereto, payments of federal funds made available under  
22 the provisions of title I of public law 874, except amounts received for  
23 assistance in cases of major disaster and amounts received under the low-  
24 rent housing program and such other moneys as are provided by law.

25 (p) "General fund budget" means the amount budgeted for operating  
26 expenses in the general fund of a school district.

27 (q) "High-density at-risk student weighting" means an addend  
28 component assigned to the enrollment of school districts pursuant to  
29 K.S.A. 72-5151(b), and amendments thereto, on the basis of costs  
30 attributable to the maintenance of at-risk educational programs by such  
31 school districts.

32 (r) "High enrollment weighting" means an addend component  
33 assigned to the enrollment of school districts pursuant to K.S.A. 72-  
34 5149(b), and amendments thereto, on the basis of costs attributable to  
35 maintenance of educational programs by such school districts.

36 (s) "Juvenile detention facility" means the same as such term is  
37 defined in K.S.A. 72-1173, and amendments thereto.

38 (t) "Local foundation aid" means the sum of the following amounts:

39 (1) An amount equal to any unexpended and unencumbered balance  
40 remaining in the general fund of the school district, except moneys  
41 received by the school district and authorized to be expended for the  
42 purposes specified in K.S.A. 72-5168, and amendments thereto;

43 (2) an amount equal to any remaining proceeds from taxes levied

1 under authority of K.S.A. 72-7056 and 72-7072, prior to their repeal;

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

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

10 (5) an amount equal to the amount credited to the general fund in the  
11 current school year from moneys distributed in such school year to the  
12 school district under the provisions of articles 17 and 34 of chapter 12 of  
13 the Kansas Statutes Annotated, and amendments thereto, and under the  
14 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes  
15 Annotated, and amendments thereto;

16 (6) an amount equal to the amount of payments received by the  
17 school district under the provisions of K.S.A. 72-3423, and amendments  
18 thereto; *and*

19 (7) an amount equal to the amount of any grant received by the  
20 school district under the provisions of K.S.A. 72-3425, and amendments  
21 thereto; ~~and~~

22 ~~(8) an amount equal to 70% of the federal impact aid of the school~~  
23 ~~district.~~

24 (u) "Low enrollment weighting" means an addend component  
25 assigned to the enrollment of school districts pursuant to K.S.A. 72-  
26 5149(a), and amendments thereto, on the basis of costs attributable to  
27 maintenance of educational programs by such school districts.

28 (v) "Operating expenses" means the total expenditures and lawful  
29 transfers from the general fund of a school district during a school year for  
30 all purposes, except expenditures for the purposes specified in K.S.A. 72-  
31 5168, and amendments thereto.

32 (w) "Preceding school year" means the school year immediately  
33 before the current school year.

34 (x) "Preschool-aged at-risk student" means an at-risk student who has  
35 attained the age of three years, is under the age of eligibility for attendance  
36 at kindergarten, and has been selected by the state board in accordance  
37 with guidelines governing the selection of students for participation in  
38 head start programs.

39 (y) "Preschool-aged exceptional children" means exceptional  
40 children, except gifted children, who have attained the age of three years  
41 but are under the age of eligibility for attendance at kindergarten. ~~The~~  
42 ~~terms~~-~~"Exceptional children"~~ and ~~"gifted children"~~ ~~have mean~~ the same  
43 ~~meaning~~ as those terms are defined in K.S.A. 72-3404, and amendments

1 thereto.

2 (z) "Psychiatric residential treatment facility" means the same as such  
3 term is defined in K.S.A. 72-1173, and amendments thereto.

4 (aa) (1) "Remote enrollment" means the number of students regularly  
5 enrolled in kindergarten and grades one through 12 in the school district  
6 who attended school through remote learning in excess of the remote  
7 learning limitations provided in K.S.A. 2021 Supp. 72-5180, and  
8 amendments thereto.

9 (2) This subsection shall not apply in any school year prior to the  
10 2021-2022 school year.

11 (bb) (1) "Remote learning" means a method of providing education in  
12 which the student, although regularly enrolled in a school district, does not  
13 physically attend the attendance center such student would otherwise  
14 attend in person on a full-time basis and curriculum and instruction are  
15 prepared, provided and supervised by teachers and staff of such school  
16 district to approximate the student learning experience that would take  
17 place in the attendance center classroom.

18 (2) "Remote learning" does not include virtual school as such term is  
19 defined in K.S.A. 72-3712, and amendments thereto.

20 (3) This subsection shall not apply in any school year prior to the  
21 2021-2022 school year.

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

26 (dd) "School facilities weighting" means an addend component  
27 assigned to the enrollment of school districts pursuant to K.S.A. 72-5156,  
28 and amendments thereto, on the basis of costs attributable to commencing  
29 operation of one or more new school facilities by such school districts.

30 (ee) "School year" means the 12-month period ending June 30.

31 (ff) "September 20" has its usual meaning, except that in any year in  
32 which September 20 is not a day on which school is maintained, it means  
33 the first day after September 20 on which school is maintained.

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

39 (hh) "State board" means the state board of education.

40 (ii) "State foundation aid" means the amount of aid distributed to a  
41 school district as determined by the state board pursuant to K.S.A. 72-  
42 5134, and amendments thereto.

43 (jj) (1) "Student" means any person who is regularly enrolled in a

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

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

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

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

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

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

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

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

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

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

42 (F) A student enrolled in a school district and attending a non-virtual  
43 school and also attending a virtual school shall be counted as that

1 proportion of one student, to the nearest  $\frac{1}{10}$ , that the student's attendance at  
2 the non-virtual school bears to full-time attendance.

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

8 (H) A student enrolled in a school district and attending school on a  
9 part-time basis through remote learning and also attending school in  
10 person on a part-time basis shall be counted as that proportion of one  
11 student, to the nearest  $\frac{1}{10}$ , that the student's in-person attendance bears to  
12 full-time attendance.

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

15 ~~(a) For school year 2018-2019, one student;~~

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

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

19 ~~(ii) This subparagraph shall not apply to:~~

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

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

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

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

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

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

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

36 (5) A student enrolled in a school district who attends school through  
37 remote learning shall be counted in accordance with the provisions of this  
38 section and K.S.A. 2021 Supp. 72-5180, and amendments thereto.

39 (kk) "Total foundation aid" means an amount equal to the product  
40 obtained by multiplying the BASE aid by the adjusted enrollment of a  
41 school district.

42 (ll) "Transportation weighting" means an addend component assigned  
43 to the enrollment of school districts pursuant to K.S.A. 72-5148, and



1 amendments thereto, on the basis of costs attributable to the provision or  
2 furnishing of transportation.

3 (mm) "Virtual school" means the same as such term is defined in  
4 K.S.A. 72-3712, and amendments thereto.

5 Sec. 2. K.S.A. 72-5135 is hereby amended to read as follows: 72-  
6 5135. (a) The distribution of state foundation aid under this act shall be  
7 made in accordance with appropriation acts each year as provided in this  
8 section.

9 (b) (1) In the months of July through May of each school year, the  
10 state board shall determine the amount of state foundation aid that will be  
11 required by each school district to maintain operations in each such month.  
12 In making such determination, the state board shall take into consideration  
13 the school district's access to local foundation aid and the obligations of  
14 the general fund that must be satisfied during the month. The amount  
15 determined by the state board under this provision is the amount of state  
16 foundation aid that will be distributed to the school district in the months  
17 of July through May.

18 (2) In the month of June of each school year, payment shall be made  
19 of the full amount of the state foundation aid determined for the school  
20 year less the sum of the monthly payments made in the months of July  
21 through May pursuant to subsection (b)(1).

22 (c) Payments of state foundation aid shall be distributed to school  
23 districts once each month on the dates prescribed by the state board. The  
24 state board shall certify to the director of accounts and reports the amount  
25 due as state foundation aid to each school district in each of the months of  
26 July through June. Such certification, and the amount of state foundation  
27 aid payable from the state general fund, shall be approved by the director  
28 of the budget. The director of accounts and reports shall draw warrants on  
29 the state treasurer payable to the school district treasurer of each school  
30 district, pursuant to vouchers approved by the state board. Upon receipt of  
31 such warrant, each school district treasurer shall deposit the amount of  
32 state foundation aid in the general fund of the school district, ~~except that~~  
33 ~~an amount equal to the amount of federal impact aid not included in the~~  
34 ~~local foundation aid of a school district may be disposed of as provided in~~  
35 ~~K.S.A. 72-5166(a), and amendments thereto.~~

36 (d) If any amount of state foundation aid that is due to be paid during  
37 the month of June of a school year pursuant to the other provisions of this  
38 section is not paid on or before June 30 of such school year, then such  
39 payment shall be paid on or after the ensuing July 1, as soon as moneys are  
40 available therefor. Any payment of state foundation aid that is due to be  
41 paid during the month of June of a school year and that is paid to school  
42 districts on or after the ensuing July 1 shall be recorded and accounted for  
43 by school districts as a receipt for the school year ending on the preceding

1 June 30.

2 *Sec. 3. K.S.A. 72-5461 is hereby amended to read as follows: 72-*  
3 *5461. (a) Upon receiving an application under K.S.A. 72-5460, and*  
4 *amendments thereto, the state board of education shall review the*  
5 *application and examine the evidence furnished in support of the*  
6 *application.*

7 *(b) (1) Commencing in school year 2017-2018, The state board of*  
8 *education shall not approve any application submitted during the*  
9 *current school year if such approval would result in the aggregate*  
10 *amount of all general obligation bonds approved by the state board for*  
11 *such school year exceeding the aggregate principal amount of all*  
12 *general obligation bonds retired in the immediately preceding school*  
13 *year adjusted for inflation pursuant to paragraph (4). For any*  
14 *application submitted during the current school year in excess of*  
15 *\$175,000,000, the state board shall apply only an amount of*  
16 *\$175,000,000 of such application when determining whether the*  
17 *aggregate principal amount of all general obligation bonds retired in the*  
18 *immediately preceding school year has been exceeded. In determining*  
19 *whether to approve an application, the state board shall prioritize*  
20 *applications in accordance with the priorities set forth as follows in*  
21 *order of highest priority to lowest priority:*

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

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

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

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

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

39 *(3) The provisions of subsection (b)(1) shall not apply to school*  
40 *districts that:*

41 *(A) Have not issued any general obligation bonds in the 25 years*  
42 *prior to the current school year; or*

43 *(B) do not receive capital improvement state aid because such school*

1 district is not eligible to receive such aid or has opted out of receiving  
2 such aid in the resolution adopted as provided in K.S.A. 72-5457, and  
3 amendments thereto.

4 **(4) The state board shall adjust the aggregate principal amount of**  
5 **all general obligation bonds retired in the immediately preceding school**  
6 **year by adding an amount equal to the five-year compounded percentage**  
7 **increase in the producer price index industry data for new school**  
8 **building construction as published by the bureau of labor statistics of**  
9 **the United States department of labor for the five immediately preceding**  
10 **school years.**

11 **(c) After reviewing the application and examining the supportive**  
12 **evidence, the state board of education shall issue an order either**  
13 **granting or denying the application. If the application is approved, the**  
14 **applicant board of education shall request the county election officer to**  
15 **hold an election to vote upon the question of issuing the increased**  
16 **amount of bonds in the manner provided by law.**

17 **(d) Any application that is denied pursuant to subsection (b) may be**  
18 **tentatively approved by the state board of education for the immediately**  
19 **succeeding school year. The amount of general obligation bonds**  
20 **approved in any such application shall be counted first towards the**  
21 **aggregate amount of all general obligation bonds approved by the state**  
22 **board for such school year.**

23 ~~**(e) Commencing in school year 2017-2018, The state board of**~~  
24 ~~**education shall determine the aggregate principal amount of general**~~  
25 ~~**obligation bonds retired in the immediately preceding school year.**~~

26 **(f) The provisions of subsections (b), (d) and (e) shall expire on**  
27 **June 30, 2022 2027.**

28 **Sec. 4. K.S.A. 2021 Supp. 72-5462 is hereby amended to read as**  
29 **follows: 72-5462. (a) There is hereby established in the state treasury the**  
30 **school district capital improvements fund. The fund shall consist of all**  
31 **amounts transferred thereto under the provisions of subsection (c).**

32 **(b) In each school year, each school district ~~which~~ that is obligated**  
33 **to make payments from its capital improvements fund shall be entitled to**  
34 **receive payment from the school district capital improvements fund in**  
35 **an amount determined by the state board of education as provided in this**  
36 **subsection.**

37 **(1) For general obligation bonds approved for issuance at an**  
38 **election held prior to July 1, 2015, the state board of education shall:**

39 **(A) Determine the amount of the assessed valuation per pupil**  
40 **(AVPP) of each school district in the state for the preceding school year**  
41 **and round such amount to the nearest \$1,000. The rounded amount is**  
42 **the AVPP of a school district for the purposes of this subsection (b)(1);**

43 **(B) determine the median AVPP of all school districts;**

1       ***(C) prepare a schedule of dollar amounts using the amount of the***  
2 ***median AVPP of all school districts as the point of beginning. The***  
3 ***schedule of dollar amounts shall range upward in equal \$1,000 intervals***  
4 ***from the point of beginning to and including an amount that is equal to***  
5 ***the amount of the AVPP of the school district with the highest AVPP of***  
6 ***all school districts and shall range downward in equal \$1,000 intervals***  
7 ***from the point of beginning to and including an amount that is equal to***  
8 ***the amount of the AVPP of the school district with the lowest AVPP of all***  
9 ***school districts;***

10       ***(D) determine a state aid percentage factor for each school district***  
11 ***by assigning a state aid computation percentage to the amount of the***  
12 ***median AVPP shown on the schedule, decreasing the state aid***  
13 ***computation percentage assigned to the amount of the median AVPP by***  
14 ***one percentage point for each \$1,000 interval above the amount of the***  
15 ***median AVPP, and increasing the state aid computation percentage***  
16 ***assigned to the amount of the median AVPP by one percentage point for***  
17 ***each \$1,000 interval below the amount of the median AVPP. Except as***  
18 ***provided by K.S.A. 72-5463, and amendments thereto, the state aid***  
19 ***percentage factor of a school district is the percentage assigned to the***  
20 ***schedule amount that is equal to the amount of the AVPP of the school***  
21 ***district. The state aid percentage factor of a school district shall not***  
22 ***exceed 100%. The state aid computation percentage is 25%;***

23       ***(E) determine the amount of payments that a school district is***  
24 ***obligated to make from its bond and interest fund attributable to general***  
25 ***obligation bonds approved for issuance at an election held prior to July***  
26 ***1, 2015; and***

27       ***(F) multiply the amount determined under subsection (b)(1)(E) by***  
28 ***the applicable state aid percentage factor.***

29       ***(2) For general obligation bonds approved for issuance at an***  
30 ***election held on or after July 1, 2015, the state board of education shall:***

31       ***(A) Except as provided in subsection (b)(8), determine the amount of***  
32 ***the AVPP of each school district in the state for the preceding school***  
33 ***year and round such amount to the nearest \$1,000. The rounded amount***  
34 ***is the AVPP of a school district for the purposes of this subsection (b)(2);***

35       ***(B) except as provided in subsection (b)(8), prepare a schedule of***  
36 ***dollar amounts using the amount of the AVPP of the school district with***  
37 ***the lowest AVPP of all school districts as the point of beginning. The***  
38 ***schedule of dollar amounts shall range upward in equal \$1,000 intervals***  
39 ***from the point of beginning to and including an amount that is equal to***  
40 ***the amount of the AVPP of the school district with the highest AVPP of***  
41 ***all school districts;***

42       ***(C) determine a state aid percentage factor for each school district***  
43 ***by assigning a state aid computation percentage to the amount of the***

1 *lowest AVPP shown on the schedule and decreasing the state aid*  
2 *computation percentage assigned to the amount of the lowest AVPP by*  
3 *one percentage point for each \$1,000 interval above the amount of the*  
4 *lowest AVPP. Except as provided by K.S.A. 72-5463, and amendments*  
5 *thereto, the state aid percentage factor of a school district is the*  
6 *percentage assigned to the schedule amount that is equal to the amount*  
7 *of the AVPP of the school district. The state aid computation percentage*  
8 *is 75%;*

9 *(D) determine the amount of payments that a school district is*  
10 *obligated to make from its bond and interest fund attributable to general*  
11 *obligation bonds approved for issuance at an election held on or after*  
12 *July 1, 2015; and*

13 *(E) multiply the amount determined under subsection (b)(2)(D) by*  
14 *the applicable state aid percentage factor.*

15 *(3) For general obligation bonds approved for issuance at an*  
16 *election held on or before June 30, 2016, the sum of the amount*  
17 *determined under subsection (b)(1)(F) and the amount determined*  
18 *under subsection (b)(2)(E) is the amount of payment the school district*  
19 *is entitled to receive from the school district capital improvements fund*  
20 *in the school year.*

21 *(4) (A) For general obligation bonds approved for issuance at an*  
22 *election held on or after July 1, 2016, the amount determined under*  
23 *subsection (b)(2)(E) is the amount of payment the school district shall*  
24 *receive from the school district capital improvements fund in the school*  
25 *year, except the total amount of payments school districts receive from*  
26 *the school district capital improvements fund in the school year for such*  
27 *bonds shall not exceed the six-year average amount of capital*  
28 *improvement state aid as determined by the state board of education.*

29 ~~(A)~~(B) *The state board of education shall determine the six-year*  
30 *average amount of capital improvement state aid by calculating the*  
31 *average of the total amount of moneys expended per year from the*  
32 *school district capital improvements fund in the immediately preceding*  
33 *six fiscal years, not to include the current fiscal year.*

34 ~~(B)~~(C) (i) *Subject to clause (ii), the state board of education shall*  
35 *prioritize the allocations to school districts from the school district*  
36 *capital improvements fund in accordance with the priorities set forth as*  
37 *follows in order of highest priority to lowest priority:*

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

42 *(b) enrollment growth and imminent overcrowding as demonstrated*  
43 *by successive increases in enrollment of the school district in the*

1 *immediately preceding three school years;*

2 *(c) impact on the delivery of educational services as demonstrated*  
3 *by restrictive inflexible design or limitations on installation of*  
4 *technology; and*

5 *(d) energy usage and other operational inefficiencies as*  
6 *demonstrated by a district-wide energy usage analysis, district-wide*  
7 *architectural analysis or other similar evaluation.*

8 *(ii) In allocating capital improvement state aid, the state board shall*  
9 *give higher priority to those school districts with a lower AVPP*  
10 *compared to the other school districts that are to receive capital*  
11 *improvement state aid under this section.*

12 ~~(C)(D)~~ *On and after July 1, 2016, the state board of education shall*  
13 *approve the amount of state aid payments a school district shall receive*  
14 *from the school district capital improvements fund pursuant to*  
15 *subsection (b)(5) prior to an election to approve the issuance of general*  
16 *obligation bonds.*

17 *(5) Except as provided in subsections (b)(6) and (b)(7) through (b)*  
18 *(8), the sum of the amounts determined under subsection (b)(3) and the*  
19 *amount determined or allocated to the district by the state board of*  
20 *education pursuant to subsection (b)(4), is the amount of payment the*  
21 *school district is entitled to receive from the school district capital*  
22 *improvements fund in the school year.*

23 *(6) A school district that had an enrollment of less than 260*  
24 *students in the school year immediately preceding the school year in*  
25 *which an election is held to approve the issuance of general obligation*  
26 *bonds shall not be entitled to receive payments from the school district*  
27 *capital improvements fund unless such school district applied for and*  
28 *received approval from the state board of education to issue such bonds*  
29 *prior to holding an election to approve such bond issuance. The*  
30 *provisions of this paragraph shall apply to general obligation bonds*  
31 *approved for issuance at an election held on or after July 1, 2017, that*  
32 *are issued for the purpose of financing the construction of new school*  
33 *facilities.*

34 *(7) For general obligation bonds approved for issuance at an*  
35 *election held on or after July 1, 2017, in determining the amount under*  
36 *subsection (b)(2)(D), the state board shall exclude payments for any*  
37 *capital improvement project, or portion thereof, that proposes to*  
38 *construct, reconstruct or remodel a facility that would be used primarily*  
39 *for extracurricular activities, unless the construction, reconstruction or*  
40 *remodeling of such facility is necessary due to concerns relating to the*  
41 *safety of the current facility or disability access to such facility as*  
42 *demonstrated by a state fire marshal report, an inspection under the*  
43 *Americans with disabilities act, 42 U.S.C. § 12101 et seq., or other*

1 **similar evaluation.**

2 (8) For general obligation bonds approved for issuance at an  
3 election held on or after July 1, 2022, the state board of education shall:

4 (A) In preparing the schedule of dollar amounts pursuant to  
5 subsection (b)(2)(B), exclude unified school district No. 207, Fort  
6 Leavenworth, from such schedule and determine the point of beginning  
7 based on the amount of the AVPP of the school district with the lowest  
8 AVPP of the remaining school districts; and

9 (B) in determining the amount of the AVPP of a school district,  
10 exclude the number of students enrolled in a virtual school, as defined in  
11 K.S.A. 72-3712, and amendments thereto, that is offered by such school  
12 district from the determination of the AVPP of such school district.

13 (c) The state board of education shall certify to the director of  
14 accounts and reports the entitlements of school districts determined  
15 under the provisions of subsection (b), and an amount equal thereto  
16 shall be transferred by the director from the state general fund to the  
17 school district capital improvements fund for distribution to school  
18 districts. All transfers made in accordance with the provisions of this  
19 subsection shall be considered to be demand transfers from the state  
20 general fund, except that all such transfers during the fiscal years  
21 ending June 30, 2021, June 30, 2022, and June 30, 2023, shall be  
22 considered to be revenue transfers from the state general fund.

23 (d) Payments from the school district capital improvements fund  
24 shall be distributed to school districts at times determined by the state  
25 board of education to be necessary to assist school districts in making  
26 scheduled payments pursuant to contractual bond obligations. The state  
27 board of education shall certify to the director of accounts and reports  
28 the amount due each school district entitled to payment from the fund,  
29 and the director of accounts and reports shall draw a warrant on the  
30 state treasurer payable to the treasurer of the school district. Upon  
31 receipt of the warrant, the treasurer of the school district shall credit the  
32 amount thereof to the bond and interest fund of the school district to be  
33 used for the purposes of such fund.

34 (e) The provisions of this section apply only to contractual  
35 obligations incurred by school districts pursuant to general obligation  
36 bonds issued upon approval of a majority of the qualified electors of the  
37 school district voting at an election upon the question of the issuance of  
38 such bonds.

39 ~~(f) On or before the first day of the legislative session in 2017, and~~  
40 ~~Each year thereafter, the state board of education shall prepare and~~  
41 ~~submit a report to the legislature that includes information on school~~  
42 ~~district elections held on or after July 1, 2016, to approve the issuance of~~  
43 ~~general obligation bonds and the amount of payments school districts~~

1 *were approved to receive from the school district capital improvements*  
2 *fund pursuant to subsection ~~(b)(4)(C)~~ ~~(b)(4)(D)~~.*

3 Sec. ~~3~~ **5**. K.S.A. 72-5135 *and 72-5461* and K.S.A. 2021 Supp. 72-  
4 5132 *and 72-5462* are hereby repealed.

5 Sec. ~~4~~ **6**. This act shall take effect and be in force from and after its  
6 publication in the statute book.