

CONFERENCE COMMITTEE REPORT

MR. PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 113** submits the following report:

The Senate accedes to all House amendments to the bill, and your committee on conference further agrees to amend the bill as printed as House Substitute for Senate Bill No. 113, as follows:

On page 2, in line 15, by striking "\$14,797,912" and inserting "\$14,712,912"; in line 18, by striking all after "2024"; by striking all in lines 19 through 35; in line 36, by striking all before the period;

On page 3, in line 20, by striking "\$13,534,722" and inserting "\$10,534,722"; in line 23, after "2024" by inserting ": *Provided further*, That expenditures shall be made by the above agency from the mental health intervention team pilot account during fiscal year 2024 for mental health intervention team school liaisons employed by those school districts participating in the mental health intervention team pilot program: *And provided further*, That the salaries and wages for school liaisons shall be matched by participating school districts on a \$3 of state moneys for \$1 of school district moneys basis: *And provided further*, That each school district that participated in the mental health intervention team pilot program during fiscal year 2023 shall continue to receive an amount of moneys not less than the amount from such account or fund such school district received in fiscal year 2023 so long as the school district maintains a substantially similar program participation level in fiscal year 2024: *And provided further*, That the remaining unencumbered moneys in the mental health intervention team pilot account shall be used to expand the program to school districts that have not previously participated in the program: *And provided further*, That, if such remaining moneys are not fully expended on new school district programs, the above agency shall expend such moneys on school districts that

seek to expand existing programs: *And provided further*, That the department of education shall provide a report on or before January 1, 2024, to the director of the budget and the director of legislative research that includes performance measures, developed in consultation with the Kansas department for aging and disability services, that illustrate the effectiveness of the mental health intervention team pilot program";

Also on page 3, in line 41, after the semicolon by inserting "acquisition of naloxone hydrochloride products for use by approved professionals;"

On page 4, in line 22, by striking "\$101,388,069" and inserting "\$87,900,088"; in line 23, by striking "\$2,423,309" and inserting "\$400,000";

On page 8, in line 27, by striking "\$8,437,635" and inserting "\$9,437,635"; following line 34, by inserting:

"Provided, That any unencumbered balance in the pre-K pilot account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

Also on page 8, following line 35, by inserting:

"Provided, That any unencumbered balance in the early childhood infrastructure account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

Also on page 8, following line 36, by inserting:

"Provided, That any unencumbered balance in the imagination library account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.";

On page 10, following line 15, by inserting:

"(l) During the fiscal year ending June 30, 2024, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2024 as authorized by this or other appropriation act of the 2023 regular session of the legislature,

expenditures shall be made by the above agency from such moneys for fiscal year 2024 to survey school districts and submit to the senate committee on education and the house of representatives committees on education and K-12 education budget a list of all school districts that used curriculum and training materials that include the three cueing systems model of reading or visual memory program in the preceding school year."; in line 28, by striking "\$592,740,238" and inserting "\$520,380,818";

On page 11, following line 8, by inserting:

"(c) During the fiscal year ending June 30, 2025, in addition to the other purposes for which expenditures may be made by the above agency from moneys appropriated from the state general fund or from any special revenue fund or funds for the above agency for fiscal year 2025 as authorized by this or other appropriation act of the 2023 or 2024 regular session of the legislature, expenditures shall be made by the above agency from such moneys for fiscal year 2025 to create a special education and related services funding task force to study and make recommendations for changes in the existing state funding formula for special education and related services: *Provided*, That such task force shall have 11 members as follows: Two members appointed by the speaker of the house of representatives; two members appointed by the president of the senate; one member appointed by the minority leader of the house of representatives; one member appointed by the minority leader of the senate; one member appointed by the state board of education; two members appointed by the state department of education who are professionals in the field of special education and related services; one member appointed by the state department of education who is a professional in early childhood developmental services and provides services for a tiny-K program; and one member appointed by the speaker of the house of representatives who is a parent of a student who receives special education services: *Provided further*, That the speaker of the house of representatives shall

designate one member appointed by the speaker as chairperson of the task force: *And provided further*, That members of the task force attending meetings authorized by the task force shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto: *Provided, however*, That the above agency, in consultation with the legislative coordinating council, shall establish such task force if the legislature does not take action to revise the special education state aid funding formula during the 2024 regular legislative session.";

Also on page 11, by striking all in lines 9 through 43;

By striking all on pages 12 through 15;

On page 16, by striking all in lines 1 through 36; following line 36, by inserting:

"New Sec. 4. (a) Within 30 days after the board of education of a school district adopts a resolution to dispose of a school district building pursuant to K.S.A. 72-3216, and amendments thereto, such board of education shall submit written notice of its intention to dispose of such building to the legislature. Such notice shall be filed with the chief clerk of the house of representatives and the secretary of the senate and shall contain the following:

(1) A description of the school district's use of such building immediately prior to the decision to dispose of such building;

(2) the reason for such building's disuse and the decision to dispose of such building;

(3) the legal description of the real property to be disposed of; and

(4) a copy of the resolution adopted by the board of education.

(b) (1) If the notice required under subsection (a) is received by the legislature during a regular legislative session, then the legislature shall have 45 days to adopt a concurrent resolution in accordance with subsection (c) stating the legislature's intention for the state to acquire such building.

(2) If the notice required under subsection (a) is received when the legislature is not in regular session, then the legislature shall have 45 days from the commencement of the next regular session to adopt a concurrent resolution in accordance with subsection (c) stating the legislature's intention for the state to acquire such building.

(3) If the legislature does not adopt a concurrent resolution in accordance with subsection (c) within the 45-day period, then the school district may proceed with the disposition of such school district building in accordance with state law.

(c) The legislature may adopt a concurrent resolution stating the legislature's intention that the state acquire the school district building. Such concurrent resolution shall include:

- (1) The name of the school district that owns such building;
- (2) the information contained in the written notice as described in subsection (a)(1) through (3); and
- (3) the state agency that intends to acquire such building and the intended use of such building upon acquisition.

(d) Upon adoption of a concurrent resolution in accordance with subsection (c), the state agency named in such resolution shall have 180 days to complete the acquisition of such school district building and take title to the real property. Upon request of the state agency acquiring the school district building, the legislative coordinating council may extend the 180-day period for a period of not more than 60 days. The board of education of the school district shall not sell, gift, lease or otherwise convey such building or any of the real property described in the written notice or take any action or refrain from taking any action that would diminish the value of such property during the 180-day period or any extension thereof. If the state agency does not take title to the property within the 180-day period or any extension thereof, then the school district may proceed with disposition of such school district building in accordance with

state law and any written agreements entered into between such state agency and the school district.

(e) For purposes of this section, the term "state agency" means any state agency, department, authority, institution, division, bureau or other state governmental entity.";

On page 17, in line 19, by striking all after "(A)"; by striking all in line 20; in line 21, by striking "(B)"; in line 24, after "affidavit" by inserting "or transcript"; in line 25, by striking "subparagraphs" and inserting "subparagraph"; in line 26, by striking all before the period; following line 39, by inserting:

"(e) This section shall take effect on and after July 1, 2023.";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

Also on page 17, in line 40, before "The" by inserting "(a)";

On page 18, following line 1, by inserting:

"(b) This section shall take effect on and after July 1, 2023.";

On page 19, in line 41, after "(2)" by inserting "Subject to capacity, school districts shall give priority to any nonresident student who is a military student as defined in K.S.A. 72-5139, and amendments thereto. Priority shall be given when the military student is first accepted and, if necessary, at any other time the school district considers transfer applications. Any such military student shall not be subject to the open seat lottery.

(3)";

And by redesignating subsections, paragraphs, subparagraphs and clauses accordingly;

On page 22, following line 19, by inserting:

"Sec. 11. K.S.A. 72-3216 is hereby amended to read as follows: 72-3216. (a) (1) Subject to ~~provision paragraph (2) of this subsection~~, every unified school district shall maintain, offer and teach kindergarten and grades one through 12 and shall offer and teach at least 30 units

of instruction for ~~pupils~~ students enrolled in grades nine through 12 in each high school operated by the board of education. The units of instruction, to qualify for the purpose of this section, shall have the prior approval of the state board of education.

(2) Any unified school district which has discontinued kindergarten, any grade or unit of instruction under authority of K.S.A. 72-13,101, and amendments thereto, and has entered into an agreement with another unified school district for the provision of kindergarten or any such grade or unit of instruction has complied with the kindergarten, grade and unit of instruction requirements of this section.

(b) The board of education shall adopt all necessary rules and regulations for the government and conduct of its schools, consistent with the laws of the state.

(c) The board of education may divide the district into subdistricts for purposes of attendance by pupils.

(d) The board of education shall have the title to and the care and keeping of all school buildings and other school property belonging to the district. The board may open any or all school buildings for community purposes and may adopt rules and regulations governing use of school buildings for those purposes. School buildings and other school properties no longer needed by the school district may be disposed of by the board upon the affirmative recorded vote of not less than a majority of the members of the board at a regular meeting. Subject to the provisions of section 4, and amendments thereto, the board may dispose of the property in such manner and upon such terms and conditions as the board deems to be in the best interest of the school district. Conveyances of school buildings and other school properties shall be executed by the president of the board and attested by the clerk.

(e) The board shall have the power to acquire personal and real property by purchase, gift or the exercise of the power of eminent domain in accordance with K.S.A. 72-1144, and

amendments thereto.

Sec. 12. On and after July 1, 2023, K.S.A. 2022 Supp. 72-4352 is hereby amended to read as follows: 72-4352. As used in the tax credit for low income students scholarship program act:

(a) "Contributions" means monetary gifts or donations and in-kind contributions, gifts or donations that have an established market value.

(b) "Department" means the Kansas department of revenue.

(c) "Educational scholarship" means an amount not to exceed \$8,000 per school year provided to an eligible student, or to a qualified school with respect to an eligible student, to cover all or a portion of the costs of education including tuition, fees and expenses of a qualified school and, if applicable, the costs of transportation to a qualified school if provided by such qualified school.

(d) "Eligible student" means a child who:

(1) Resides in Kansas; and

(2) (A) (i) ~~Is eligible for free or reduced-price meals under the national school lunch~~
Has an annual family income that is less than or equal to 250% of the federal poverty
guidelines as determined annually in the federal register by the United States department of
health and human services under 42 U.S.C. § 9902(2); and

(ii) (a) was enrolled in kindergarten or any of the grades one through eight in any public school in the previous school year in which an educational scholarship is first sought for the child; or

(b) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is seven years of age or under;
or

(B) has received an educational scholarship under the program and has not graduated from high school or reached the age of 21 years.

(e) "Parent" includes a guardian, custodian or other person with authority to act on behalf of the child.

(f) "Program" means the tax credit for low income students scholarship program established in K.S.A. 72-4351 through 72-4357, and amendments thereto.

(g) "Public school" means any school operated by a unified school district under the laws of this state.

(h) "Qualified school" means any nonpublic school that:

(1) Provides education to elementary or secondary students;

(2) is accredited by the state board or a national or regional accrediting agency that is recognized by the state board for the purpose of satisfying the teaching performance assessment for professional licensure;

(3) has notified the state board of its intention to participate in the program; and

(4) complies with the requirements of the program.

(i) "Scholarship granting organization" means an organization that complies with the requirements of this program and provides educational scholarships to eligible students or to qualified schools in which parents have enrolled eligible students.

(j) "School district" or "district" means any unified school district organized and operating under the laws of this state.

(k) "School year" means the same as in K.S.A. 72-5132, and amendments thereto.

(l) "Secretary" means the secretary of revenue.

(m) "State board" means the state board of education.

Sec. 13. On and after July 1, 2023, K.S.A. 72-4357 is hereby amended to read as

follows: 72-4357. (a) (1) There shall be allowed a credit against the corporate income tax liability imposed upon a taxpayer pursuant to the Kansas income tax act, the privilege tax liability imposed upon a taxpayer pursuant to the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and the premium tax liability imposed upon a taxpayer pursuant to the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto, for tax years commencing after December 31, 2014, and ending before January 1, 2017, an amount equal to 70% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto.

(2) There shall be allowed a credit against the tax liability imposed upon a taxpayer pursuant to the Kansas income tax act, the privilege tax liability imposed upon a taxpayer pursuant to the privilege tax imposed upon any national banking association, state bank, trust company or savings and loan association pursuant to article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments thereto, and the premium tax liability imposed upon a taxpayer pursuant to the premiums tax and privilege fees imposed upon an insurance company pursuant to K.S.A. 40-252, and amendments thereto;

(A) For tax years commencing after December 31, 2016, and ending before January 1, 2022, an amount equal to 70% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto; and

(B) for tax years commencing after December 31, 2022, an amount equal to 75% of the amount contributed to a scholarship granting organization authorized pursuant to K.S.A. 72-4351 et seq., and amendments thereto.

(3) In no event shall the total amount of contributions for any taxpayer allowed under this subsection exceed \$500,000 for any tax year.

(b) The credit shall be claimed and deducted from the taxpayer's tax liability during the tax year in which the contribution was made to any such scholarship granting organization.

(c) For each tax year, in no event shall the total amount of credits allowed under this section exceed \$10,000,000 for any one tax year. Except as otherwise provided, the allocation of such tax credits for each scholarship granting organization shall be determined by the scholarship granting organization in consultation with the secretary, and such determination shall be completed prior to the issuance of any tax credits pursuant to this section.

(d) If the amount of any such tax credit claimed by a taxpayer exceeds the taxpayer's income, privilege or premium tax liability, such excess amount may be carried over for deduction from the taxpayer's income, privilege or premium tax liability in the next succeeding year or years until the total amount of the credit has been deducted from tax liability.

(e) The secretary shall adopt rules and regulations regarding filing of documents that support the amount of credit claimed pursuant to this section.";

On page 23, in line 15, by striking all after "be"; in line 16, by striking all before "plus" and inserting "\$4,846"; in line 19, by striking "the three immediately preceding"; also in line 19, after "years" by inserting "2020-2021, 2021-2022 and 2022-2023";

On page 24, in line 7, after "(B)" by inserting "except as provided in paragraph (4),"; in line 19, after the semicolon, by inserting "or"; in line 20, by striking all after "(C)"; by striking all in lines 21 through 35; in line 36, by striking "(D)";

On page 25, in line 1, by striking the comma and inserting "or"; also in line 1, by striking "or (C)"; following line 27, by inserting:

"(4) If a school district closed any school building pursuant to K.S.A. 72-1431, and

amendments thereto, in the preceding school year, such school district shall determine enrollment pursuant to paragraph (1)(A) in the current school year.";

On page 31, following line 4, by inserting:

"Sec. 16. On and after July 1, 2023, K.S.A. 72-5149 is hereby amended to read as follows:
72-5149. (a) Except as provided in subsection (c), the low enrollment weighting of each school district shall be determined by the state board as follows:

(1) For school districts with an enrollment of fewer than 100 students, multiply the enrollment of the school district by 1.014331. The resulting product is the low enrollment weighting of the school district;

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

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

(B) multiply the difference obtained under subsection (a)(2)(A) by 9.655;

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

(D) divide the difference obtained under subsection (a)(2)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(2)(D); and

(F) multiply the difference obtained under subsection (a)(2)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district;

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

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

(B) multiply the difference obtained under subsection (a)(3)(A) by 1.2375;

(C) subtract the product obtained under subsection (a)(3)(B) from 5,406;

(D) divide the difference obtained under subsection (a)(3)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(3)(D); and

(F) multiply the difference obtained under subsection (a)(3)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district.

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

(c) Any school district that receives the low enrollment weighting and attaches territory of all or part of a disorganized school district or accepts students in the current school year who attended a school building that was closed by another school district pursuant to K.S.A. 72-1431, and amendments thereto, in the preceding school year shall maintain the low enrollment weighting factor such school district received in the school year immediately preceding such attachment or acceptance for the next three succeeding school years or may receive the low enrollment weighting factor determined pursuant to subsection (a), whichever is greater."

On page 38, in line 23, after the comma by inserting "and 72-3216"; in line 25, after the first "K.S.A." by inserting "72-4357, 72-5149 and"; in line 26, after "Supp." by inserting "72-4352,";

And by renumbering sections accordingly;

On page 1, in the title, in line 3, by striking all after the semicolon; by striking all in lines 4 through 6; in line 7, by striking all before the semicolon and inserting "requiring school districts to submit a notice of intent to dispose of a school district building to the legislature; establishing a state option to acquire such school district buildings"; in line 15, after the semicolon by inserting "requiring school districts to give priority to nonresident military students under the school district's open seat lottery process;"; in line 19, after the semicolon by inserting "providing for additional student eligibility and increasing the tax credit for contributions made pursuant to the tax credit for low income students scholarship program;"; in line 20, after

"current-year" by inserting "or preceding year"; in line 21, after the semicolon by inserting "continuing a district's low enrollment weighting factor if the district accepts students from another school district under certain circumstances;"; in line 26, after the first comma by inserting "72-3216, 72-4357, 72-5149"; also in line 26, after the second comma by inserting "72-4352,";

And your committee on conference recommends the adoption of this report.

Conferees on part of House

Conferees on part of Senate