

**HOUSE BILL No. 2663**

By Representative Helgerson

2-10

1 AN ACT concerning education; relating to the financing and instruction  
2 thereof; making and concerning appropriations for the fiscal years  
3 ending June 30, 2017, June 30, 2018, and June 30, 2019, for the  
4 department of education; creating the school district finance and quality  
5 performance act of 2016; amending K.S.A. 2015 Supp. 10-1116a, 12-  
6 1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-  
7 1414, 72-1923, 72-3607, 72-3711, 72-3712, 72-3715, 72-5333b, 72-  
8 64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-  
9 67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-  
10 8237, 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-  
11 8415b, 72-8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-  
12 8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b and  
13 repealing the existing sections; also repealing K.S.A. 2015 Supp. 72-  
14 6463, 72-6464, 72-6465, 72-6466, 72-6467, 72-6468, 72-6469, 72-  
15 6470, 72-6471, 72-6472, 72-6473, 72-6474, 72-6475, 72-6476, 72-  
16 6477, 72-6478, 72-6479, 72-6480 and 72-6481.

17

18 *Be it enacted by the Legislature of the State of Kansas:*  
19 Section 1.

20

DEPARTMENT OF EDUCATION

21

(a) On July 1, 2016, of the \$2,760,946,624 appropriated for the above  
22 agency for the fiscal year ending June 30, 2017, by section 3(a) of chapter  
23 4 of the 2015 Session Laws of Kansas from the state general fund in the  
24 block grants to USDs account, the sum of \$2,760,946,624 is hereby  
25 lapsed.

26

(b) On July 1, 2016, the expenditure limitation established for the  
27 fiscal year ending June 30, 2017, by section 3(b) of chapter 4 of the 2015  
28 Session Laws of Kansas on the school district extraordinary need fund of  
29 the department of education is hereby decreased from \$17,521,425 to \$0.

30

Sec. 2.

31

DEPARTMENT OF EDUCATION

32

(a) There is appropriated for the above agency from the state general  
33 fund for the fiscal year ending June 30, 2017, the following:

34

General state aid.....\$2,112,784,931

35

*Provided*, That, notwithstanding the provision of any other statute, of the  
36 amount appropriated in the general state aid account, that portion which is

1 in excess of the amount that was appropriated in the general state aid  
 2 account of the state general fund for the above agency for fiscal year 2015  
 3 pursuant to section 144(a) of chapter 136 of the 2013 Session Laws of  
 4 Kansas shall be expended solely for the purposes of providing instruction,  
 5 as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and  
 6 amendments thereto.

7 Supplemental general state aid.....\$501,130,485

8 *Provided*, That, notwithstanding the provision of any other statute, of the  
 9 amount appropriated in the supplemental general state aid account, that  
 10 portion which is in excess of the amount that was appropriated in the  
 11 supplemental general state aid account of the state general fund for the  
 12 above agency for fiscal year 2015 pursuant to section 144(a) of chapter  
 13 136 of the 2013 Session Laws of Kansas shall be expended solely for the  
 14 purposes of providing instruction, as that term is defined in K.S.A. 2015  
 15 Supp. 72-64c01(d), and amendments thereto.

16 (b) There is appropriated for the above agency from the following  
 17 special revenue fund or funds for the fiscal year ending June 30, 2017, all  
 18 moneys now or hereafter lawfully credited to and available in such fund or  
 19 funds, except that expenditures other than refunds authorized by law and  
 20 transfers to other state agencies shall not exceed the following:

21 State school district finance fund.....No limit

22 School district capital improvements fund.....No limit

23 School district capital outlay state aid fund.....No limit

24 *Provided*, That, notwithstanding the provision of any other statute, of the  
 25 amount appropriated in the school district capital outlay state aid fund, that  
 26 portion which is in excess of the amount that was appropriated in the  
 27 school district capital outlay state aid fund for the above agency for fiscal  
 28 year 2015 pursuant to section 144(b) of chapter 136 of the 2013 Session  
 29 Laws of Kansas shall be expended solely for the purposes of providing  
 30 instruction, as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and  
 31 amendments thereto.

32 Sec. 3.

33 DEPARTMENT OF EDUCATION

34 (a) There is appropriated for the above agency from the state general  
 35 fund for the fiscal year ending June 30, 2018, the following:

36 General state aid.....\$2,112,784,931

37 *Provided*, That, notwithstanding the provision of any other statute, of the  
 38 amount appropriated in the general state aid account, that portion which is  
 39 in excess of the amount that was appropriated in the general state aid  
 40 account of the state general fund for the above agency for fiscal year 2015  
 41 pursuant to section 144(a) of chapter 136 of the 2013 Session Laws of  
 42 Kansas shall be expended solely for the purposes of providing instruction,  
 43 as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and

1 amendments thereto.  
 2 Supplemental general state aid.....\$501,130,485  
 3 *Provided*, That, notwithstanding the provision of any other statute, of the  
 4 amount appropriated in the supplemental general state aid account, that  
 5 portion which is in excess of the amount that was appropriated in the  
 6 supplemental general state aid account of the state general fund for the  
 7 above agency for fiscal year 2015 pursuant to section 144(a) of chapter  
 8 136 of the 2013 Session Laws of Kansas shall be expended solely for the  
 9 purposes of providing instruction, as that term is defined in K.S.A. 2015  
 10 Supp. 72-64c01(d), and amendments thereto.

11 (b) There is appropriated for the above agency from the following  
 12 special revenue fund or funds for the fiscal year ending June 30, 2018, all  
 13 moneys now or hereafter lawfully credited to and available in such fund or  
 14 funds, except that expenditures other than refunds authorized by law and  
 15 transfers to other state agencies shall not exceed the following:

- 16 State school district finance fund.....No limit
- 17 School district capital improvements fund.....No limit
- 18 School district capital outlay state aid fund.....No limit

19 *Provided*, That, notwithstanding the provision of any other statute, of the  
 20 amount appropriated in the school district capital outlay state aid fund, that  
 21 portion which is in excess of the amount that was appropriated in the  
 22 school district capital outlay state aid fund for the above agency for fiscal  
 23 year 2015 pursuant to section 144(b) of chapter 136 of the 2013 Session  
 24 Laws of Kansas shall be expended solely for the purposes of providing  
 25 instruction, as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and  
 26 amendments thereto.

27 Sec. 4.

28 DEPARTMENT OF EDUCATION

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

31 General state aid.....\$2,112,784,931

32 *Provided*, That, notwithstanding the provision of any other statute, of the  
 33 amount appropriated in the general state aid account, that portion which is  
 34 in excess of the amount that was appropriated in the general state aid  
 35 account of the state general fund for the above agency for fiscal year 2015  
 36 pursuant to section 144(a) of chapter 136 of the 2013 Session Laws of  
 37 Kansas shall be expended solely for the purposes of providing instruction,  
 38 as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and  
 39 amendments thereto.

40 Supplemental general state aid.....\$501,130,485

41 *Provided*, That, notwithstanding the provision of any other statute, of the  
 42 amount appropriated in the supplemental general state aid account, that  
 43 portion which is in excess of the amount that was appropriated in the

1 supplemental general state aid account of the state general fund for the  
2 above agency for fiscal year 2015 pursuant to section 144(a) of chapter  
3 136 of the 2013 Session Laws of Kansas shall be expended solely for the  
4 purposes of providing instruction, as that term is defined in K.S.A. 2015  
5 Supp. 72-64c01(d), and amendments thereto.

6 (b) There is appropriated for the above agency from the following  
7 special revenue fund or funds for the fiscal year ending June 30, 2019, all  
8 moneys now or hereafter lawfully credited to and available in such fund or  
9 funds, except that expenditures other than refunds authorized by law and  
10 transfers to other state agencies shall not exceed the following:

- 11 State school district finance fund.....No limit
- 12 School district capital improvements fund.....No limit
- 13 School district capital outlay state aid fund.....No limit

14 *Provided*, That, notwithstanding the provision of any other statute, of the  
15 amount appropriated in the school district capital outlay state aid fund, that  
16 portion which is in excess of the amount that was appropriated in the  
17 school district capital outlay state aid fund for the above agency for fiscal  
18 year 2015 pursuant to section 144(b) of chapter 136 of the 2013 Session  
19 Laws of Kansas shall be expended solely for the purposes of providing  
20 instruction, as that term is defined in K.S.A. 2015 Supp. 72-64c01(d), and  
21 amendments thereto.

22 New Sec. 5. Sections 5 through 50, and amendments thereto, shall be  
23 known and may be cited as the school district finance and quality  
24 performance act of 2016.

25 New Sec. 6. As used in the school district finance and quality  
26 performance act of 2016:

27 (a) "Adjusted enrollment" means the enrollment of a school district  
28 adjusted by adding the following weightings, if any, to the enrollment: At-  
29 risk pupil weighting; program weighting; low enrollment weighting; high  
30 density at-risk pupil weighting; high enrollment weighting; declining  
31 enrollment weighting; school facilities weighting; ancillary school  
32 facilities weighting; cost of living weighting; special education and related  
33 services weighting; and transportation weighting.

34 (b) "Ancillary school facilities weighting" means an addend  
35 component assigned to enrollment of school districts to which the  
36 provisions of section 35, and amendments thereto, apply on the basis of  
37 costs attributable to commencing operation of new school facilities.  
38 Ancillary school facilities weighting may be assigned to enrollment of a  
39 school district only if the school district has levied a tax under authority of  
40 section 35, and amendments thereto, and remitted the proceeds from such  
41 tax to the state treasurer. Ancillary school facilities weighting is in addition  
42 to assignment of school facilities weighting to enrollment of any school  
43 district eligible for such weighting.

1 (c) (1) "At-risk pupils" means pupils who are eligible for free meals  
2 under the national school lunch act and who are enrolled in a school  
3 district which maintains an approved at-risk pupil assistance plan.

4 (2) The term "at-risk pupils" shall not include any pupil: (A) Enrolled  
5 in any of the grades one through 12 who is in attendance less than full  
6 time; or (B) who is over 19 years of age. The provisions of this paragraph  
7 shall not apply to any pupil who has an individualized education program.

8 (d) "At-risk pupil weighting" means an addend component assigned  
9 to the enrollment of school districts on the basis of enrollment of at-risk  
10 pupils.

11 (e) (1) Except as provided in subsection (e)(2), "base state aid per  
12 pupil" means an amount appropriated by the legislature in a fiscal year for  
13 the designated year. The amount of base state aid per pupil for school year  
14 2016-2017, and each school year thereafter, shall be at least \$3,838.

15 (2) The amount of base state aid per pupil is subject to reduction  
16 commensurate with any reduction under K.S.A. 75-6704, and amendments  
17 thereto, in the amount of the appropriation from the state general fund for  
18 general state aid. If the amount of appropriations for general state aid is  
19 insufficient to pay in full the amount each school district is entitled to  
20 receive for any school year, the amount of base state aid per pupil for such  
21 school year is subject to reduction commensurate with the amount of the  
22 insufficiency.

23 (f) "Average adjusted enrollment" means the average enrollment of a  
24 school district for the three school years immediately preceding the current  
25 school year.

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

27 (h) "Budget per pupil" means the general fund budget of a school  
28 district divided by the enrollment of the school district.

29 (i) "Categorical fund" means and includes the following funds of a  
30 school district: Special education fund; food service fund; driver training  
31 fund; adult education fund; adult supplementary education fund;  
32 professional development fund; parent education program fund; summer  
33 program fund; extraordinary school program fund; and educational  
34 excellence grant program fund.

35 (j) "Cost of living weighting" means an addend component assigned  
36 to the enrollment of school districts to which the provisions of section 36,  
37 and amendments thereto, apply on the basis of costs attributable to the cost  
38 of living in the school district.

39 (k) "Current school year" means the school year during which general  
40 state aid is determined by the state board under section 8, and amendments  
41 thereto.

42 (l) "Declining enrollment weighting" means an addend component  
43 assigned to the enrollment of school districts to which the provisions of

1 section 37, and amendments thereto, apply on the basis of reduced  
2 revenues attributable to the declining enrollment of the school district.

3 (m) "Enrollment" means:

4 (1) For school districts scheduling the school days or school hours of  
5 the school term on a trimestral or quarterly basis, the number of pupils  
6 regularly enrolled in the school district on September 20 plus the number  
7 of pupils regularly enrolled in the school district on February 20 less the  
8 number of pupils regularly enrolled on February 20 who were counted in  
9 the enrollment of the school district on September 20; and for school  
10 districts not specified in this subsection (1), the number of pupils regularly  
11 enrolled in the school district on September 20;

12 (2) if enrollment in a school district in any school year has decreased  
13 from enrollment in the preceding school year, enrollment of the school  
14 district in the current school year means whichever is the greater of:

15 (A) The sum of:

16 (i) Enrollment in the preceding school year, excluding pupils under  
17 subsection (A)(ii), minus enrollment in such school year of preschool-aged  
18 at-risk pupils, if any such pupils were enrolled, plus enrollment in the  
19 current school year of preschool-aged at-risk pupils, if any such pupils are  
20 enrolled; and

21 (ii) adjusted enrollment in the preceding school year of any pupils  
22 participating in the tax credit for low income students scholarship program  
23 pursuant to K.S.A. 2015 Supp. 72-99a01 through 72-99a07, and  
24 amendments thereto, in the current school year, if any, plus adjusted  
25 enrollment in the preceding school year of preschool-aged at-risk pupils  
26 participating in the tax credit for low income students scholarship program  
27 pursuant to K.S.A. 2015 Supp. 72-99a01 through 72-99a07, and  
28 amendments thereto, in the current school years, if any such pupils were  
29 enrolled; or

30 (B) the sum of enrollment in the current school year of preschool-  
31 aged at-risk pupils, if any such pupils are enrolled and the average of the  
32 sum of:

33 (i) Enrollment of the school district in the current school year minus  
34 enrollment in such school year of preschool-aged at-risk pupils, if any  
35 such pupils are enrolled;

36 (ii) enrollment in the preceding school year minus enrollment in such  
37 school year of preschool-aged at-risk pupils, if any such pupils were  
38 enrolled; and

39 (iii) enrollment in the school year next preceding the preceding  
40 school year minus enrollment in such school year of preschool-aged at-risk  
41 pupils, if any such pupils were enrolled; or

42 (3) the number of pupils as determined under sections 12 or 13, and  
43 amendments thereto.

1 (n) "February 20" has its usual meaning, except that in any year in  
2 which February 20 is not a day on which school is maintained, it shall  
3 mean the first day after February 20 on which school is maintained.

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

15 (p) "General fund" means the fund of a school district from which  
16 operating expenses are paid and in which is deposited the proceeds from  
17 the tax levied under section 16, and amendments thereto, all amounts of  
18 general state aid under this act, payments under K.S.A. 72-7105a, and  
19 amendments thereto, payments of federal funds made available under the  
20 provisions of title I of public law 874, except amounts received for  
21 assistance in cases of major disaster and amounts received under the low-  
22 rent housing program, and such other moneys as are provided by law.

23 (q) "General fund budget" means the amount budgeted for operating  
24 expenses in the general fund of a school district.

25 (r) "High density at-risk pupil weighting" means an addend  
26 component assigned to the enrollment of school districts to which the  
27 provisions of section 32, and amendments thereto, apply.

28 (s) "High enrollment weighting" means an addend component  
29 assigned to the enrollment of school districts pursuant to section 25, and  
30 amendments thereto, on the basis of costs attributable to maintenance of  
31 educational programs by such school districts as a correlate to low  
32 enrollment weighting assigned to enrollment of school districts pursuant to  
33 section 24, and amendments thereto.

34 (t) "Juvenile detention facility" has the meaning ascribed thereto by  
35 K.S.A. 72-8187, and amendments thereto.

36 (u) "Low enrollment weighting" means an addend component  
37 assigned to the enrollment of school districts pursuant to section 24, and  
38 amendments thereto, on the basis of costs attributable to maintenance of  
39 educational programs by such school districts in comparison with costs  
40 attributable to maintenance of educational programs by school districts to  
41 which high enrollment weighting is assigned pursuant to section 25, and  
42 amendments thereto.

43 (v) "Nonproficient pupil" means a pupil who is not eligible for free

1 meals under the national school lunch act and who has scored less than  
2 proficient on the mathematics or reading state assessment during the  
3 preceding school year and who is enrolled in a school district which  
4 maintains an approved proficiency assistance plan.

5 (w) "Operating expenses" means the total expenditures and lawful  
6 transfers from the general fund of a school district during a school year for  
7 all purposes, except expenditures for the purposes specified in section 45,  
8 and amendments thereto.

9 (x) "Preceding school year" means the school year immediately  
10 before the current school year.

11 (y) "Preschool-aged at-risk pupil" means an at-risk pupil who has  
12 attained the age of four years, is under the age of eligibility for attendance  
13 at kindergarten, and has been selected by the state board in accordance  
14 with guidelines consonant with guidelines governing the selection of  
15 pupils for participation in head start programs.

16 (z) "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.

19 (aa) "Program weighted fund" means and includes the following  
20 funds of a school district: Vocational education fund, preschool-aged at-  
21 risk education fund and bilingual education fund.

22 (bb) "Program weighting" means an addend component assigned to  
23 the enrollment of school districts on the basis of pupil attendance in  
24 educational programs which differ in cost from regular educational  
25 programs.

26 (cc) "Psychiatric residential treatment facility" has the meaning  
27 ascribed thereto by K.S.A. 72-8187, and amendments thereto.

28 (dd) (1) "Pupil" means any person who is regularly enrolled in a  
29 school district and attending kindergarten or any of the grades one through  
30 12 maintained by the school district or who is regularly enrolled in a  
31 school district and attending kindergarten or any of the grades one through  
32 12 in another school district in accordance with an agreement entered into  
33 under authority of K.S.A. 72-8233, and amendments thereto, or who is  
34 regularly enrolled in a school district and attending special education  
35 services provided for preschool-aged exceptional children by the school  
36 district.

37 (2) (A) The following shall be counted as one pupil:

38 (i) A pupil in attendance full time; and

39 (ii) except as provided in subsection (2)(B), a pupil enrolled in a  
40 school district and attending special education and related services,  
41 provided for by the school district.

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

43 (i) A pupil attending kindergarten;



1 (ii) a pupil enrolled in a school district and attending special  
2 education and related services for preschool-aged exceptional children  
3 provided for by the school district; and

4 (iii) a preschool-aged at-risk pupil enrolled in a school district and  
5 receiving services under an approved at-risk pupil assistance plan  
6 maintained by the school district.

7 (C) The following shall be counted as two pupils:

8 (i) A pupil in the custody of the secretary of the Kansas department  
9 for children and families or in the custody of the commissioner of juvenile  
10 justice and enrolled in unified school district No. 259, Sedgwick  
11 county, Kansas, but housed, maintained, and receiving educational  
12 services at the Judge James V. Riddel Boys Ranch; and

13 (ii) except as provided in section 1 of chapter 76 of the 2009 Session  
14 Laws of the state of Kansas, and amendments thereto, a pupil in the  
15 custody of the secretary of the Kansas department for children and families  
16 or in the custody of the commissioner of juvenile justice and enrolled in  
17 unified school district No. 409, Atchison, Kansas, but housed,  
18 maintained and receiving educational services at the youth residential  
19 center located on the grounds of the former Atchison juvenile correctional  
20 facility.

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

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

32 (F) A pupil enrolled in and attending an area vocational school, area  
33 vocational-technical school or approved vocational education program  
34 shall be counted as one pupil if the pupil's vocational education enrollment  
35 and attendance together with the pupil's attendance in any of grades nine  
36 through 12 is at least  $\frac{5}{6}$  time, otherwise the pupil shall be counted as that  
37 proportion of one pupil (to the nearest  $\frac{1}{10}$ ) that the total time of the pupil's  
38 vocational education attendance and attendance in any of grades nine  
39 through 12 bears to full-time attendance.

40 (G) A pupil enrolled in a school district and attending a non-virtual  
41 school and also attending a virtual school shall be counted as that  
42 proportion of one pupil (to the nearest  $\frac{1}{10}$ ) that the pupil's attendance at the  
43 non-virtual school bears to full-time attendance.

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

6 (3) The following shall not be counted:

7 (A) A pupil residing at the Flint Hills job corps center;

8 (B) Except as provided in subsection (cc)(2), a pupil confined in and  
9 receiving educational services provided for by a school district at a  
10 juvenile detention facility;

11 (C) a pupil enrolled in a school district but housed, maintained and  
12 receiving educational services at a state institution or a psychiatric  
13 residential treatment facility; and

14 (D) a pupil who is a foreign exchange student, unless such student is  
15 regularly enrolled in the school district on September 20 and attending  
16 kindergarten or any of the grades one through 12 maintained by the school  
17 district for at least one semester or two quarters or the equivalent thereof.

18 (ee) "School district" means a school district organized under the  
19 laws of this state which is maintaining public school for a school term in  
20 accordance with the provisions of K.S.A. 72-1106, and amendments  
21 thereto.

22 (ff) "School facilities weighting" means an addend component  
23 assigned to the enrollment of school districts on the basis of costs  
24 attributable to commencing operation of new school facilities.

25 (gg) "School financing sources" means the sum of the following  
26 amounts:

27 (1) An amount equal to any unexpended and unencumbered balance  
28 remaining in the general fund of the school district, except amounts  
29 received by the school district and authorized to be expended for the  
30 purposes specified in section 45, and amendments thereto;

31 (2) an amount equal to any unexpended and unencumbered balances  
32 remaining in the program weighted funds of the school district, except any  
33 amount in the vocational education fund of the school district if the school  
34 district is operating an area vocational school;

35 (3) an amount equal to any remaining proceeds from taxes levied  
36 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,  
37 prior to the repeal of such statutory sections;

38 (4) an amount equal to the amount deposited in the general fund in  
39 the current school year from amounts received in such year by the school  
40 district under the provisions of K.S.A. 72-1046a(a), and amendments  
41 thereto;

42 (5) an amount equal to the amount deposited in the general fund in  
43 the current school year from amounts received in such year by the school

1 district pursuant to contracts made and entered into under authority of  
2 K.S.A. 72-6757, and amendments thereto;

3 (6) an amount equal to the amount credited to the general fund in the  
4 current school year from amounts distributed in such year to the school  
5 district under the provisions of articles 17 and 34 of chapter 12 of the  
6 Kansas Statutes Annotated, and amendments thereto, and under the  
7 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes  
8 Annotated, and amendments thereto;

9 (7) an amount equal to the amount of payments received by the  
10 school district under the provisions of K.S.A. 72-979, and amendments  
11 thereto;

12 (8) an amount equal to the amount of a grant, if any, received by the  
13 school district under the provisions of K.S.A. 72-983, and amendments  
14 thereto; and

15 (9) an amount equal to 70% of the federal impact aid of the school  
16 district.

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

18 (ii) "September 20" has its usual meaning, except that in any year in  
19 which September 20 is not a day on which school is maintained, it shall  
20 mean the first day after September 20 on which school is maintained.

21 (jj) "Special education and related services weighting" means an  
22 addend component assigned to the enrollment of school districts on the  
23 basis of costs attributable to provision of special education and related  
24 services for pupils determined to be exceptional children.

25 (kk) "State board" means the state board of education.

26 (ll) "State financial aid" means an amount equal to the product  
27 obtained by multiplying base state aid per pupil by the average adjusted  
28 enrollment of a school district.

29 (mm) "Transportation weighting" means an addend component  
30 assigned to the enrollment of school districts on the basis of costs  
31 attributable to the provision or furnishing of transportation.

32 (nn) "Virtual school" means any school or educational program that:  
33 (1) Is offered for credit; (2) uses distance-learning technologies which  
34 predominately use internet-based methods to deliver instruction; (3)  
35 involves instruction that occurs asynchronously with the teacher and pupil  
36 in separate locations; (4) requires the pupil to make academic progress  
37 toward the next grade level and matriculation from kindergarten through  
38 high school graduation; (5) requires the pupil to demonstrate competence  
39 in subject matter for each class or subject in which the pupil is enrolled as  
40 part of the virtual school; and (6) requires age-appropriate pupils to  
41 complete state assessment tests.

42 New Sec. 7. (a) The state school district finance fund, established by  
43 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in

1 existence and shall consist of: (1) All moneys credited to such fund under  
2 K.S.A. 2015 Supp. 72-6463 through 72-6481, prior to their repeal; and (2)  
3 all amounts transferred to such fund under sections 10, 16, 35, 36 and 37,  
4 and amendments thereto.

5 (b) The state school district finance fund shall be used for the purpose  
6 of school school district finance and for no other governmental purpose. It  
7 is the intent of the legislature that the fund shall remain intact and inviolate  
8 for such purpose, and moneys in the fund shall not be subject to the  
9 provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments  
10 thereto.

11 (c) Amounts in the state school district finance fund shall be allocated  
12 and distributed to school districts as a portion of general state aid  
13 entitlements provided for under this act.

14 New Sec. 8. In each school year, the state board shall determine  
15 entitlement of each school district to general state aid for the school year.  
16 The state board shall determine the amount of the school district's school  
17 financing sources for the school year. If the amount of the school district's  
18 school financing sources is greater than the amount of state financial aid  
19 determined for the school district for the school year, the school district  
20 shall not be entitled to general state aid. If the amount of the school  
21 district's school financing sources is less than the amount of state financial  
22 aid determined for the school district for the school year, the state board  
23 shall subtract the amount of the school district's school financing sources  
24 from the amount of state financial aid. The remainder is the amount of  
25 general state aid the school district is entitled to receive for the current  
26 school year.

27 New Sec. 9. (a) The distribution of general state aid under this act  
28 shall be made in accordance with appropriation acts each year as provided  
29 in this section.

30 (b) (1) In the months of July through May of each school year, the  
31 state board shall determine the amount of general state aid which will be  
32 required by each school district to maintain operations in each such month.  
33 In making such determination, the state board shall take into consideration  
34 the school district's access to school financing sources and the obligations  
35 of the general fund which must be satisfied during the month. The amount  
36 determined by the state board under this provision is the amount of general  
37 state aid which will be distributed to the school district in the months of  
38 July through May;

39 (2) in the month of June of each school year, subject to the provisions  
40 of subsection (d), payment shall be made in the full amount of the general  
41 state aid entitlement determined for the school year, less the sum of the  
42 monthly payments made in the months of July through May.

43 (c) The state board of education shall prescribe the dates upon which

1 the distribution of payments of general state aid to school districts shall be  
2 due. Payments of general state aid shall be distributed to school districts  
3 once each month on the dates prescribed by the state board. The state  
4 board shall certify to the director of accounts and reports the amount due  
5 as general state aid to each school district in each of the months of July  
6 through June. Such certification, and the amount of general state aid  
7 payable from the state general fund, shall be approved by the director of  
8 the budget. The director of accounts and reports shall draw warrants on the  
9 state treasurer payable to the school district treasurer of each school  
10 district entitled to payment of general state aid, pursuant to vouchers  
11 approved by the state board. Upon receipt of such warrant, each school  
12 district treasurer shall deposit the amount of general state aid in the general  
13 fund, except that, an amount equal to the amount of federal impact aid not  
14 included in the school financing sources of a school district may be  
15 disposed of as provided in section 43(a), and amendments thereto.

16 (d) If any amount of general state aid that is due to be paid during the  
17 month of June of a school year pursuant to the other provisions of this  
18 section is not paid on or before June 30 of such school year, then such  
19 payment shall be paid on or after the ensuing July 1, as soon as moneys are  
20 available therefor. Any payment of general state aid that is due to be paid  
21 during the month of June of a school year and that is paid to school  
22 districts on or after the ensuing July 1 shall be recorded and accounted for  
23 by school districts as a receipt for the school year ending on the preceding  
24 June 30.

25 New Sec. 10. In the event any school district is paid more than it is  
26 entitled to receive under any distribution made under this act or under any  
27 statute repealed by this act, the state board shall notify the school district  
28 of the amount of such overpayment, and such school district shall remit the  
29 same to the state board. The state board shall remit any moneys so  
30 received to the state treasurer in accordance with the provisions of K.S.A.  
31 75-4215, and amendments thereto. Upon receipt of each such remittance,  
32 the state treasurer shall deposit the entire amount in the state treasury to  
33 the credit of the state school district finance fund. If any school district  
34 fails so to remit, the state board shall deduct the excess amounts so paid  
35 from future payments becoming due to the school district. In the event any  
36 school district is paid less than the amount to which it is entitled under any  
37 distribution made under this act, the state board shall pay the additional  
38 amount due at any time within the school year in which the underpayment  
39 was made or within 60 days after the end of such school year.

40 New Sec. 11. On or before October 10 of each school year, the clerk  
41 or superintendent of each school district shall certify under oath to the  
42 state board a report showing the total enrollment of the school district by  
43 grades maintained in the schools of the school district and such other

1 reports as the state board may require. Each such report shall show  
2 postsecondary education enrollment, vocational education enrollment,  
3 special education enrollment, bilingual education enrollment, and at-risk  
4 pupil enrollment in such detail and form as is specified by the state board.  
5 Upon receipt of such reports, the state board shall examine the reports and  
6 if the state board finds any errors in any such report, the state board shall  
7 consult with the school district officer furnishing the report and make such  
8 corrections in the report as are necessary. One of such school district  
9 officers shall also certify to the state board, on or before August 25 of each  
10 year, a copy of the budget adopted by the school district.

11 New Sec. 12. (a) If the state board of education determines that the  
12 enrollment of a school district in the preceding school year had decreased  
13 from the enrollment in the second preceding school year and that a disaster  
14 had contributed to such decrease, the enrollment of such school district in  
15 the second school year following the school year in which the enrollment  
16 of the school district was first affected by the disaster shall be the greater  
17 of:

18 (1) The enrollment of preschool-aged at-risk pupils, if any, plus the  
19 average of the enrollment for the current and the preceding three school  
20 years, excluding the enrollment of preschool-age at-risk pupils in each  
21 such year; or

22 (2) the enrollment of the school district as defined in section 6, and  
23 amendments thereto.

24 (b) As used in this section, "disaster" means the occurrence of  
25 widespread or severe damage, injury or loss of life or property resulting  
26 from flood, earthquake, tornado, wind, storm, drought, blight or  
27 infestation.

28 New Sec. 13. (a) Each school year, the state board shall:

29 (1) Determine the number of pupils enrolled in each school district on  
30 September 20; and

31 (2) determine the number of military pupils enrolled in each school  
32 district on February 20, who were not enrolled on the preceding September  
33 20.

34 (b) (1) If the number obtained under subsection (b)(2) is 25 or more,  
35 an amount equal to the number obtained under subsection (b)(2) shall be  
36 added to the number determined under subsection (b)(1). The sum is the  
37 enrollment of the school district.

38 (2) If the number obtained under subsection (b)(2) is at least 1% of  
39 the number determined under subsection (b)(1), an amount equal to the  
40 number obtained under subsection (b)(2) shall be added to the number  
41 determined under subsection (b)(1). The sum is the enrollment of the  
42 school district.

43 (c) The state board shall recompute the adjusted enrollment of the

1 school district and the general fund budget of the school district based on  
2 the enrollment as determined under this section.

3 (d) school districts desiring to determine enrollment under this  
4 section shall submit any documentation or information required by the  
5 state board.

6 (e) As used in this section:

7 (1) "Pupil" means a person who is a dependent of a full-time active  
8 duty member of the military service or a dependent of a member of any of  
9 the United States military reserve forces who has been ordered to active  
10 duty under section 12301, 12302 or 12304 of Title 10 of the United States  
11 Code, or ordered to full-time active duty for a period of more than 30  
12 consecutive days under section 502(f) or 512 of Title 32 of the United  
13 States Code for the purposes of mobilizing for war, international  
14 peacekeeping missions, national emergency or homeland defense  
15 activities.

16 (2) "School year" means school year 2014-2015, 2015-2016, 2016-  
17 2017 or 2017-2018.

18 New Sec. 14. Whenever a new school district has been established or  
19 the boundaries of a school district have been changed, the state board shall  
20 make appropriate revisions concerning the affected school districts as may  
21 be necessary for the purposes of this act to reflect such establishment of a  
22 school district or changes in boundaries. Such revisions shall be based on  
23 the most reliable data obtainable from the superintendent of the school  
24 district and the county clerk.

25 New Sec. 15. (a) (1) For the purposes of the school district finance  
26 and quality performance act of 2016, state financial aid for any school  
27 district formed by consolidation in accordance with the statutory  
28 provisions contained in article 87 of chapter 72 of the Kansas Statutes  
29 Annotated, and amendments thereto, shall be computed by the state board  
30 by determining the amount of state financial aid each of the former school  
31 districts which comprise the consolidated school district received in the  
32 school year preceding the date the consolidation was completed, and  
33 calculating the sum of such amounts. The sum is the state financial aid of  
34 the consolidated school district for the school year in which the  
35 consolidation is completed.

36 (2) The provisions of this paragraph shall apply to any consolidation  
37 of school districts which is completed on or after July 1, 2011. If any of  
38 the former school districts had an enrollment of less than 150 pupils on  
39 September 20 of the school year preceding the consolidation, the state  
40 financial aid of the newly consolidated school district for the school year  
41 following the school year in which the consolidation was completed shall  
42 be the greater of: (A) The amount received in the school year in which the  
43 consolidation was completed; or (B) the amount the school district would

1 receive under the school district finance and quality performance act of  
2 2016.

3 (3) If all of the former school districts had an enrollment of at least  
4 150 pupils but any had less than 200 pupils on September 20 of the school  
5 year preceding the consolidation, the state financial aid of the newly  
6 consolidated school district for the three school years following the school  
7 year in which the consolidation was completed shall be the greater of: (A)  
8 The amount received in the school year in which the consolidation was  
9 completed; or (B) the amount the school district would receive under the  
10 school district finance and quality performance act of 2016.

11 (4) If all of the former school districts had an enrollment of 200 or  
12 more pupils on September 20 of the school year preceding the  
13 consolidation, the state financial aid of the newly consolidated school  
14 district for the four school years following the school year in which the  
15 consolidation was completed shall be the greater of: (A) The amount  
16 received in the school year in which the consolidation was completed; or  
17 (B) the amount the school district would receive under the school district  
18 finance and quality performance act of 2016.

19 (5) If the consolidation involved the consolidation of three or more  
20 school districts, regardless of the number of pupils enrolled in the school  
21 districts, the state financial aid of the newly consolidated school district for  
22 the four school years following the school year in which the consolidation  
23 was completed shall be the greater of: (A) The amount received in the  
24 school year in which the consolidation was completed; or (B) the amount  
25 the school district would receive under the school district finance and  
26 quality performance act of 2016.

27 (b) (1) The provisions of this subsection (b) shall apply to school  
28 districts which have been enlarged by the attachment of territory pursuant  
29 to the procedure established in article 73 of chapter 72 of the Kansas  
30 Statutes Annotated, and amendments thereto.

31 (2) For the purposes of the school district finance and quality  
32 performance act of 2016, state financial aid for any school district to which  
33 this subsection applies, shall be computed by the state board of education  
34 as follows: (A) Determine the amount of state financial aid each of the  
35 former school districts which comprise the enlarged school district  
36 received in the school year preceding the date the attachment was  
37 completed; and (B) add the amounts determined under (A). The sum is the  
38 state financial aid of the enlarged school district for the school year in  
39 which the attachment is completed.

40 (3) The provisions of this paragraph shall apply to any attachment of  
41 territory which is completed on or after July 1, 2011. If any of the former  
42 school districts had an enrollment of less than 150 pupils on September 20  
43 of the school year preceding the attachment, the state financial aid of the



1 enlarged school district for the school year following the school year in  
2 which the attachment was completed shall be the greater of: (A) The  
3 amount received in the school year in which the attachment was  
4 completed; or (B) the amount the school district would receive under the  
5 school district finance and quality performance act of 2016.

6 (4) If all of the former school districts had an enrollment of at least  
7 150 pupils but any had less than 200 pupils on September 20 of the school  
8 year preceding the attachment, the state financial aid of the enlarged  
9 school district for the three school years following the school year in  
10 which the attachment was completed shall be the greater of: (A) The  
11 amount received in the school year in which the attachment was  
12 completed; or (B) the amount the school district would receive under the  
13 school district finance and quality performance act of 2016.

14 (5) If all of the former school districts had an enrollment of 200 or  
15 more pupils on September 20 of the school year preceding the attachment,  
16 the state financial aid of the enlarged school district for the four school  
17 years following the school year in which the attachment was completed  
18 shall be the greater of: (A) The amount received in the school year in  
19 which the attachment was completed; or (B) the amount the school district  
20 would receive under the school district finance and quality performance  
21 act of 2016.

22 (6) If three or more school districts, regardless of the number of  
23 pupils enrolled in the school districts, are disorganized and attached to a  
24 single school district, the state financial aid of the enlarged school district  
25 for the four school years following the school year in which the attachment  
26 was completed shall be the greater of: (A) The amount received in the  
27 school year in which the attachment was completed; or (B) the amount the  
28 school district would receive under the school district finance and quality  
29 performance act of 2016.

30 (7) Except as specifically provided by this paragraph for the  
31 allocation of state financial aid among school districts, the provisions of  
32 paragraphs (1) through (6) shall be applicable to school districts to which  
33 this paragraph applies. If a school district is disorganized in accordance  
34 with article 73 of chapter 72 of the Kansas Statutes Annotated, and  
35 amendments thereto, and the territory of such school district is attached to  
36 more than one school district, the state financial aid for each school district  
37 to which any territory from the disorganized school district is attached,  
38 shall be computed by the state board of education as follows: (A)  
39 Determine the amount of state financial aid received by the former school  
40 district in the school year preceding the date that the disorganization and  
41 attachment was completed; (B) determine the amount of state financial aid  
42 received by the enlarged school district in the school year preceding the  
43 date that the disorganization and attachment was completed; (C) determine

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

13 New Sec. 16. (a) The board of each school district shall levy an ad  
14 valorem tax upon the taxable tangible property of the school district in the  
15 school years specified in subsection (b) for the purpose of:

16 (1) Financing that portion of the school district's general fund budget  
17 which is not financed from any other source provided by law;

18 (2) paying a portion of the costs of operating and maintaining public  
19 schools in partial fulfillment of the constitutional obligation of the  
20 legislature to finance the educational interests of the state; and

21 (3) with respect to any redevelopment school district established prior  
22 to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto,  
23 paying a portion of the principal and interest on bonds issued by cities  
24 under authority of K.S.A. 12-1774, and amendments thereto, for the  
25 financing of redevelopment projects upon property located within the  
26 school district.

27 (b) The tax required under subsection (a) shall be levied at a rate of  
28 20 mills in the school year 2016-2017 and school year 2017-2018.

29 (c) The proceeds from the tax levied by a school district under  
30 authority of this section, except the proceeds of such tax levied for the  
31 purpose of paying a portion of the principal and interest on bonds issued  
32 by cities under authority of K.S.A. 12-1774, and amendments thereto, for  
33 the financing of redevelopment projects upon property located within the  
34 school district, shall be remitted to the state treasurer in accordance with  
35 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt  
36 of each such remittance, the state treasurer shall deposit the entire amount  
37 in the state treasury to the credit of the state school district finance fund.

38 (d) No school district shall proceed under K.S.A. 79-1964, 79-1964a  
39 or 79-1964b, and amendments thereto.

40 New Sec. 17. (a) In each school year, the board of any school district  
41 may adopt, by resolution, a local option budget which does not exceed the  
42 state prescribed percentage.

43 (b) Subject to the provisions of subsection (a), in each school year,

1 the board of any school district may adopt, by resolution, a local option  
2 budget in an amount that does not exceed:

3 (1) (A) the amount which the board was authorized to adopt pursuant  
4 to any resolution adopted pursuant to K.S.A. 2015 Supp. 72-6471, and  
5 amendments thereto, currently in effect; plus

6 (B) the amount which the board was authorized to adopt pursuant to  
7 section 22, and amendments thereto, if applicable to the school district; or

8 (2) the state-wide average for the preceding school year as  
9 determined by the state board pursuant to subsection (j).

10 Except as provided by subsection (d), the adoption of a resolution  
11 pursuant to this section shall require a majority vote of the members of the  
12 board. Such resolution shall be effective upon adoption and shall require  
13 no other procedure, authorization or approval.

14 (c) Except as provided by subsection (d), if the board of a school  
15 district desires to increase its local option budget authority above the  
16 amount authorized under subsection (b), the board may adopt, by  
17 resolution, such budget in an amount not to exceed the state prescribed  
18 percentage. The adoption of a resolution pursuant to this subsection shall  
19 require a majority vote of the members of the board. The resolution shall  
20 be published at least once in a newspaper having general circulation in the  
21 school district. The resolution shall be published in substantial compliance  
22 with the following form:

23 Unified School District No. \_\_\_\_\_,  
24 \_\_\_\_\_ County, Kansas.

25 RESOLUTION

26 Be It Resolved that:

27 The board of education of the above-named school district shall be  
28 authorized to adopt a local option budget in each school year in an amount  
29 not to exceed \_\_\_\_% of the amount of state financial aid. The local option  
30 budget authorized by this resolution may be adopted, unless a petition in  
31 opposition to the same, signed by not less than 5% of the qualified electors  
32 of the school district, is filed with the county election officer of the home  
33 county of the school district within 30 days after publication of this  
34 resolution. If a petition is filed, the county election officer shall submit the  
35 question of whether adoption of the local option budget shall be authorized  
36 to the electors of the school district at an election called for the purpose or  
37 at the next general election, as is specified by the board of education of the  
38 school district.

39 CERTIFICATE

40 This is to certify that the above resolution was duly adopted by the  
41 board of education of unified school district No. \_\_\_\_\_, \_\_\_\_\_ County,  
42 Kansas, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Clerk of the board of education.

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All of the blanks in the resolution shall be filled as is appropriate. If a sufficient petition is not filed, the board may adopt a local option budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local option budget shall be authorized. Any such election shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

(d) (1) Except as provided by subsections (d)(2) and (d)(3), any resolution authorizing the adoption of a local option budget in excess of 30% of the state financial aid of the school district in the current school year shall not become effective unless such resolution has been submitted to and approved by a majority of the qualified electors of the school district voting at an election called and held thereon. The election shall be called and held in the manner provided by K.S.A. 10-120, and amendments thereto, except that such election shall be a mail ballot election conducted in accordance with K.S.A. 25-431 et seq., and amendments thereto. Any such election shall be held on or before August 1 of the initial school year for which such resolution was adopted.

(2) For school year 2016-2017, any board of education of a school district which has adopted a local option budget in excess of 30% of state financial aid in the current school year on or before June 30, 2016, may adopt a second resolution in an amount not to exceed 2% of state financial aid, provided that the aggregate local option budget authority for the school district does not exceed 33% of state financial aid in the current school year. The adoption of a second resolution pursuant to this paragraph shall require a majority vote of the members of the board and shall specifically state in such resolution that it shall expire on June 30, 2017. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.

(3) The board of unified school school district no. 207, as described in K.S.A. 72-5333b, and amendments thereto, may adopt a local option budget in excess of 30% of state financial aid of the school district in the current school year in accordance with subsection (c).

(e) Unless specifically stated otherwise in the resolution, the authority to adopt a local option budget shall be continuous and permanent. The board of any school district which is authorized to adopt a local option

1 budget may choose not to adopt such a budget or may adopt a budget in an  
2 amount less than the amount authorized. If the board of any school district  
3 whose authority to adopt a local option budget is not continuous and  
4 permanent refrains from adopting a local option budget, the authority of  
5 such school district to adopt a local option budget shall not be extended by  
6 such refrainment beyond the period specified in the resolution authorizing  
7 adoption of such budget.

8 (f) The board of any school district may initiate procedures to renew  
9 or increase the authority to adopt a local option budget at any time during  
10 a school year after the tax levied pursuant to section 21, and amendments  
11 thereto, is certified to the county clerk under any existing authorization.

12 (g) The board of any school district that is authorized to adopt a local  
13 option budget prior to the effective date of this act under a resolution  
14 which authorized the adoption of such budget in accordance with the  
15 provisions of this section in effect prior to its amendment by this act may  
16 continue to operate under such resolution for the period of time specified  
17 in the resolution or may abandon the resolution and operate under the  
18 provisions of this section as amended by this act. Any such school district  
19 shall operate under the provisions of this section as amended by this act  
20 after the period of time specified in the resolution has expired.

21 (h) Any resolution adopted pursuant to this section may revoke or  
22 repeal any resolution previously adopted by the board. If the resolution  
23 does not revoke or repeal previously adopted resolutions, all resolutions  
24 which are in effect shall expire on the same date. The maximum amount of  
25 the local option budget of a school district under all resolutions in effect  
26 shall not exceed the state prescribed percentage in any school year.

27 (i) (1) There is hereby established in every school district that adopts  
28 a local option budget a fund which shall be called the supplemental  
29 general fund. The fund shall consist of all amounts deposited therein or  
30 credited thereto according to law.

31 (2) Subject to the limitation imposed under subsection (i)(3) and  
32 section 19(e), and amendments thereto, amounts in the supplemental  
33 general fund may be expended for any purpose for which expenditures  
34 from the general fund are authorized or may be transferred to any program  
35 weighted fund or categorical fund of the school district. Amounts in the  
36 supplemental general fund attributable to any percentage over 25% of state  
37 financial aid determined for the current school year may be transferred to  
38 the capital improvements fund of the school district and the capital outlay  
39 fund of the school district if such transfers are specified in the resolution  
40 authorizing the adoption of a local option budget in excess of 25%.

41 (3) Amounts in the supplemental general fund may not be expended  
42 for the purpose of making payments under any lease-purchase agreement  
43 involving the acquisition of land or buildings which is entered into

1 pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

2 (4) (A) Except as provided in subsection (i)(4)(B), any unexpended  
3 budget remaining in the supplemental general fund of a school district at  
4 the conclusion of any school year in which a local option budget is  
5 adopted shall be maintained in such fund.

6 (B) If the school district received supplemental general state aid in  
7 the school year, the state board shall determine the ratio of the amount of  
8 supplemental general state aid received to the amount of the local option  
9 budget of the school district for the school year and multiply the total  
10 amount of the unexpended budget remaining by such ratio. An amount  
11 equal to the amount of the product shall be transferred to the general fund  
12 of the school district or remitted to the state treasurer. Upon receipt of any  
13 such remittance, the state treasurer shall deposit the same in the state  
14 treasury to the credit of the state school district finance fund.

15 (j) Each year the state board of education shall determine the  
16 statewide average percentage of local option budgets legally adopted by  
17 school districts for the preceding school year.

18 (k) The provisions of this section shall be subject to the provisions of  
19 section 18, and amendments thereto.

20 (l) As used in this section:

21 (1) "Authorized to adopt a local option budget" means that a school  
22 district has adopted a resolution pursuant to subsection (c), (d) or (e).

23 (2) "State financial aid" shall have the meaning provided in section 6,  
24 and amendments thereto, except that the term shall not include virtual  
25 school state aid, as described in K.S.A. 72-3715, and amendments thereto.

26 (3) "State prescribed percentage" means 33% of state financial aid of  
27 the school district in the current school year.

28 New Sec. 18. (a) (1) The provisions of this subsection shall apply in  
29 any school year in which the amount of base state aid per pupil is \$4,433  
30 or less.

31 (2) Except as provided in subsection (a)(3), the board of any school  
32 district may adopt a local option budget which does not exceed the local  
33 option budget calculated as if the base state aid per pupil was \$4,433, or  
34 which does not exceed the local option budget as calculated pursuant to  
35 section 17, and amendments thereto, whichever is greater.

36 (3) For school years 2016-2017 and 2017-2018, the board of any  
37 school district may adopt a local option budget which does not exceed the  
38 local option budget calculated as if the base state aid per pupil was \$4,490,  
39 or which does not exceed the local option budget as calculated pursuant to  
40 section 17, and amendments thereto, whichever is greater.

41 (b) The board of education of any school district may adopt a local  
42 option budget which does not exceed the local option budget calculated as  
43 if the school district received state aid for special education and related

1 services equal to the amount of state aid for special education and related  
2 services received in school year 2008-2009, or which does not exceed the  
3 local option budget as calculated pursuant to section 17, and amendments  
4 thereto, whichever is greater.

5 (c) The board of education of any school district may exercise the  
6 authority granted under subsection (a) or (b) or both subsections (a) and  
7 (b).

8 (d) To the extent that the provisions of section 17, and amendments  
9 thereto, conflict with this section, this section shall control.

10 New Sec. 19. (a) In each school year, each school district that has  
11 adopted a local option budget is eligible for entitlement to an amount of  
12 supplemental general state aid. Except as provided by section 20, and  
13 amendments thereto, entitlement of a school district to supplemental  
14 general state aid shall be determined by the state board as provided in this  
15 subsection. The state board shall:

16 (1) Determine the amount of the assessed valuation per pupil in the  
17 second preceding school year of each school district in the state;

18 (2) rank the school districts from low to high on the basis of the  
19 amounts of assessed valuation per pupil determined under subsection (a)  
20 (1);

21 (3) identify the amount of the assessed valuation per pupil located at  
22 the 81.2 percentile of the amounts ranked under subsection (a)(2);

23 (4) divide the assessed valuation per pupil of the school district as  
24 determined under subsection (a)(1) by the amount identified under  
25 subsection (a)(3);

26 (5) (A) If the quotient obtained under subsection (a)(4) equals or  
27 exceeds one, the school district shall not be entitled to receive  
28 supplemental general state aid; or

29 (B) if the quotient obtained under subsection (a)(4) is less than one,  
30 subtract the quotient obtained under subsection (a)(4) from one, and  
31 multiply such difference by the amount of the local option budget of the  
32 school district. The resulting product is the amount of supplemental  
33 general state aid the school district is entitled to receive for the school  
34 year.

35 (b) If the amount of appropriations for supplemental general state aid  
36 is less than the amount each school district is entitled to receive for the  
37 school year, the state board shall prorate the amount appropriated among  
38 the school districts in proportion to the amount each school district is  
39 entitled to receive.

40 (c) The state board shall prescribe the dates upon which the  
41 distribution of payments of supplemental general state aid to school  
42 districts shall be due. Payments of supplemental general state aid shall be  
43 distributed to school districts on the dates prescribed by the state board.

1 The state board shall certify to the director of accounts and reports the  
2 amount due each school district, and the director of accounts and reports  
3 shall draw a warrant on the state treasurer payable to the treasurer of the  
4 school district. Upon receipt of the warrant, the treasurer of the school  
5 district shall credit the amount thereof to the supplemental general fund of  
6 the school district to be used for the purposes of such fund.

7 (d) If any amount of supplemental general state aid that is due to be  
8 paid during the month of June of a school year pursuant to the other  
9 provisions of this section is not paid on or before June 30 of such school  
10 year, then such payment shall be paid on or after the ensuing July 1, as  
11 soon as moneys are available therefor. Any payment of supplemental  
12 general state aid that is due to be paid during the month of June of a school  
13 year and that is paid to school districts on or after the ensuing July 1 shall  
14 be recorded and accounted for by school districts as a receipt for the  
15 school year ending on the preceding June 30.

16 (e) (1) Except as provided by subsection (e)(2), moneys received as  
17 supplemental general state aid shall be used to meet the requirements  
18 under the school performance accreditation system adopted by the state  
19 board, to provide programs and services required by law and to improve  
20 student performance.

21 (2) Amounts of supplemental general state aid attributable to any  
22 percentage over 25% of state financial aid determined for the current  
23 school year may be transferred to the capital improvements fund of the  
24 school district and the capital outlay fund of the school district if such  
25 transfers are specified in the resolution authorizing the adoption of a local  
26 option budget in excess of 25%.

27 (f) For the purposes of determining the total amount of state moneys  
28 paid to school districts, all moneys appropriated as supplemental general  
29 state aid shall be deemed to be state moneys for educational and support  
30 services for school districts.

31 New Sec. 20. (a) (1) For the purposes of determining the amount of  
32 supplemental general state aid, the state board shall determine the ranking  
33 of each of the former school districts of which the school district is  
34 composed as required by section 19(a)(2), and amendments thereto, for the  
35 school year prior to the effectuation of the consolidation or attachment.

36 (2) For the school year in which the consolidation or attachment is  
37 effectuated and the next succeeding two school years, the ranking of the  
38 school district for the purposes of section 19(a)(2), and amendments  
39 thereto, shall be the ranking of the school district receiving the highest  
40 amount of supplemental general state aid determined under subsection (a)  
41 (1).

42 (c) The provisions of this section shall apply to school districts which  
43 have consolidated or disorganized on and after July 1, 2004.



1 (d) As used in this section, "school district" means: (1) Any school  
2 district formed by consolidation in accordance with article 87 of chapter  
3 72 of the Kansas Statutes Annotated, and amendments thereto; or (2) any  
4 school district formed by disorganization and attachment in accordance  
5 with article 73 of chapter 72 of the Kansas Statutes Annotated, and  
6 amendments thereto, if all the territory which comprised a disorganized  
7 school district is attached to a single school district.

8 New Sec. 21. (a) In each school year, the board of every school  
9 district that has adopted a local option budget may levy an ad valorem tax  
10 on the taxable tangible property of the school district for the purpose of:

11 (1) Financing that portion of the school district's local option budget  
12 which is not financed from any other source provided by law;

13 (2) paying a portion of the principal and interest on bonds issued by  
14 cities under authority of K.S.A. 12-1774, and amendments thereto, for the  
15 financing of redevelopment projects upon property located within the  
16 school district; and

17 (3) funding transfers to the capital improvement fund of the school  
18 district and the capital outlay fund of the school district if such transfers  
19 are specified in the resolution authorizing the adoption of a local option  
20 budget in excess of 25% of state financial aid determined for the current  
21 school year.

22 (b) The proceeds from the tax levied by a school district under  
23 authority of this section, except the proceeds of such tax levied for the  
24 purpose of paying a portion of the principal and interest on bonds issued  
25 by cities under authority of K.S.A. 12-1774, and amendments thereto, for  
26 the financing of redevelopment projects upon property located within the  
27 school district, shall be deposited in the supplemental general fund of the  
28 school district.

29 (c) No school district shall proceed under K.S.A. 79-1964, 79-1964a  
30 or 79-1964b, and amendments thereto.

31 New Sec. 22. (a) In each school year, commencing with the 1997-  
32 1998 school year, the state board shall compute a school district prescribed  
33 percentage for the purpose of determining the amount of a local option  
34 budget the board of a school district to which the provisions of this section  
35 apply may adopt for the school year. The school district prescribed  
36 percentage for each school district to which the provisions of this section  
37 apply shall be computed by the state board as provided in this section. The  
38 state board shall:

39 (1) Determine the actual amount per pupil for the preceding school  
40 year of the general fund budget and the local option budget, if any, of each  
41 school district;

42 (2) compute the average amount per pupil for the preceding school  
43 year of general fund budgets and local option budgets of school districts

1 with 75-125 enrollment in such school year;

2 (3) compute the average amount per pupil for the preceding school  
3 year of general fund budgets and local option budgets of school districts  
4 with 200-399 enrollment in such school year;

5 (4) compute the average amount per pupil for the preceding school  
6 year of general fund budgets and local option budgets of school districts  
7 with 1,800 or over enrollment in such school year;

8 (5) compute an average amount per pupil for the preceding school  
9 year of general fund budgets and local option budgets of school districts  
10 with 100-299.9 enrollment in such school year by preparing a schedule  
11 based upon an accepted mathematical formula and deriving an amount for  
12 each such school district from a linear transition between the average  
13 amount per pupil computed under subsection (a)(2) and the average  
14 amount per pupil computed under subsection (a)(3);

15 (6) compute an average amount per pupil for the preceding school  
16 year of general fund budgets and local option budgets of school districts  
17 with 300-1,799.9 enrollment in such school year by preparing a schedule  
18 based upon an accepted mathematical formula and deriving an amount for  
19 each such school district from a linear transition between the average  
20 amount per pupil computed under subsection (a)(3) and the average  
21 amount per pupil computed under subsection (a)(4);

22 (7) for school districts with 0-99.9 enrollment, compare the amount  
23 determined for the school district under subsection (a)(1) to the average  
24 amount computed under subsection (a)(2). If the amount determined under  
25 subsection (a)(1) is equal to or greater than the average amount computed  
26 under subsection (a)(2), the provisions of this section do not apply to the  
27 school district. If the amount determined under subsection (a)(1) is less  
28 than the average amount computed under subsection (a)(2), subtract the  
29 amount determined under subsection (a)(1) from the amount computed  
30 under subsection (a)(2), multiply the remainder by enrollment of the  
31 school district in the preceding school year, and divide the product by the  
32 amount of state financial aid determined for the school district in the  
33 preceding school year. The quotient is the school district prescribed  
34 percentage of the school district;

35 (8) for school districts with 100-299.9 enrollment, compare the  
36 amount determined for the school district under subsection (a)(1) to the  
37 average amount computed under subsection (a)(5). If the amount  
38 determined under subsection (a)(1) is equal to or greater than the average  
39 amount computed under subsection (a)(5), the provisions of this section do  
40 not apply to the school district. If the amount determined under subsection  
41 (a)(1) is less than the average amount computed under subsection (a)(5),  
42 subtract the amount determined under subsection (a)(1) from the amount  
43 computed under subsection (a)(5), multiply the remainder by enrollment of

1 the school district in the preceding school year, and divide the product by  
2 the amount of state financial aid determined for the school district in the  
3 preceding school year. The quotient is the school district prescribed  
4 percentage of the school district;

5 (9) for school districts with 300-1,799.9 enrollment, compare the  
6 amount determined for the school district under subsection (a)(1) to the  
7 average amount computed under subsection (a)(6). If the amount  
8 determined under subsection (a)(1) is equal to or greater than the average  
9 amount computed under subsection (a)(6), the provisions of this section do  
10 not apply to the school district. If the amount determined under subsection  
11 (a)(1) is less than the average amount computed under subsection (a)(6),  
12 subtract the amount determined under subsection (a)(1) from the amount  
13 computed under subsection (a)(6), multiply the remainder by enrollment of  
14 the school district in the preceding school year, and divide the product by  
15 the amount of state financial aid determined for the school district in the  
16 preceding school year. The quotient is the school district prescribed  
17 percentage of the school district;

18 (10) for school districts with 1,800 or over enrollment, compare the  
19 amount determined for the school district under subsection (a)(1) to the  
20 average amount computed under subsection (a)(4). If the amount  
21 determined under subsection (a)(1) is equal to or greater than the average  
22 amount computed under subsection (a)(4), the provisions of this section do  
23 not apply to the school district. If the amount determined under subsection  
24 (a)(1) is less than the average amount computed under subsection (a)(4),  
25 subtract the amount determined under subsection (a)(1) from the amount  
26 computed under subsection (a)(4), multiply the remainder by enrollment of  
27 the school district in the preceding school year, and divide the product by  
28 the amount of state financial aid determined for the school district in the  
29 preceding school year. The quotient is the school district prescribed  
30 percentage of the school district.

31 (b) The provisions of this section apply to any school district that  
32 budgeted an amount per pupil in the preceding school year, as determined  
33 under subsection (a)(1), that was less than the average amount per pupil of  
34 general fund budgets and local option budgets computed by the state board  
35 under whichever of the subsections (a)(7) through (a)(10) is applicable to  
36 the school district's enrollment group.

37 New Sec. 23. (a) The transportation weighting of each school district  
38 shall be determined by the state board as follows:

39 (1) Determine the total expenditures of the school district during the  
40 preceding school year from all funds for transporting pupils of public and  
41 nonpublic schools on regular school routes;

42 (2) divide the amount determined under subsection (a)(1) by the total  
43 number of pupils who were included in the enrollment of the school

1 district in the preceding school year and for whom transportation was  
2 made available by the school district;

3 (3) multiply the quotient obtained under subsection (a)(2) by the total  
4 number of pupils who were included in the enrollment of the school  
5 district in the preceding school year, were residing less than  $2\frac{1}{2}$  miles by  
6 the usually traveled road from the school building they attended, and for  
7 whom transportation was made available by the school district;

8 (4) multiply the product obtained under subsection (a)(3) by 50%;

9 (5) subtract the product obtained under subsection (a)(4) from the  
10 amount determined under subsection (a)(1);

11 (6) divide the remainder obtained under subsection (a)(5) by the total  
12 number of pupils who were included in the enrollment of the school  
13 district in the preceding school year, were residing  $2\frac{1}{2}$  miles or more by  
14 the usually traveled road from the school building they attended and for  
15 whom transportation was made available by the school district. The  
16 quotient is the per-pupil cost of transportation;

17 (7) on a density-cost graph plot the per-pupil cost of transportation  
18 for each school district;

19 (8) construct a curve of best fit for the points so plotted;

20 (9) locate the index of density for the school district on the base line  
21 of the density-cost graph and from the point on the curve of best fit  
22 directly above this point of index of density follow a line parallel to the  
23 base line to the point of intersection with the vertical line, which point is  
24 the formula per-pupil cost of transportation of the school district;

25 (10) divide the formula per-pupil cost of transportation of the school  
26 district by base state aid per pupil;

27 (11) multiply the quotient obtained under subsection (a)(10) by the  
28 number of pupils who are included in the enrollment of the school district,  
29 are residing  $2\frac{1}{2}$  miles or more by the usually traveled road to the school  
30 building they attend, and for whom transportation is being made available  
31 by, and at the expense of, the school district. The product is the  
32 transportation weighting of the school district.

33 (b) For the purpose of providing accurate and reliable data on pupil  
34 transportation, the state board is authorized to adopt rules and regulations  
35 prescribing procedures which school districts shall follow in reporting  
36 pertinent information relative thereto, including uniform reporting of  
37 expenditures for transportation.

38 (c) As used in this section:

39 (1) "Index of density" means the number of pupils who are included  
40 in the enrollment of a school district in the current school year, are residing  
41  $2\frac{1}{2}$  miles or more by the usually traveled road from the school building  
42 they attend, and for whom transportation is being made available on  
43 regular school routes by the school district, divided by the number of

1 square miles of territory in the school district.

2 (2) "Density-cost graph" means a drawing having: (1) A horizontal or  
3 base line divided into equal intervals of density, beginning with zero on the  
4 left; and (2) a scale for per-pupil cost of transportation to be shown on a  
5 line perpendicular to the base line at the left end thereof, such scale to  
6 begin with zero dollars at the base line ascending by equal per-pupil cost  
7 intervals.

8 (3) "Curve of best fit" means the curve on a density-cost graph drawn  
9 so the sum of the distances squared from such line to each of the points  
10 plotted on the graph is the least possible.

11 New Sec. 24. (a) The low enrollment weighting shall be determined  
12 by the state board as provided by this section.

13 (b) For school districts with enrollment of 1,637 or more in school  
14 year 2006-2007, and 1,622 or more in school year 2007-2008 and each  
15 school year thereafter, the low enrollment weighting shall be 0.

16 (c) For school districts with enrollment of less than 100, the low  
17 enrollment weighting shall be equal to the low enrollment weighting of a  
18 school district with enrollment of 100.

19 (d) For school districts with enrollment of less than 1,637 in school  
20 year 2006-2007 and less than 1,622 in school year 2007-2008 and each  
21 school year thereafter and more than 99, the low enrollment weighting  
22 shall be determined by the state board as follows:

23 (1) Determine the low enrollment weighting for such school districts  
24 for school year 2004-2005;

25 (2) multiply the low enrollment weighting of each school district  
26 determined under paragraph (1) by 3,863;

27 (3) add 3,863 to the product obtained under subsection (d)(2);

28 (4) divide the product obtained under subsection (d)(3) by 4,107; and

29 (5) subtract 1 from the product obtained under subsection (d)(4). The  
30 difference shall be the low enrollment weighting of the school district.

31 New Sec. 25. The high enrollment weighting of each school district  
32 with 1,637 or over enrollment in school year 2006-2007, 1,622 or over  
33 enrollment in school year 2007-2008 and each school year thereafter shall  
34 be determined by the state board as follows:

35 (a) Determine the schedule amount for a school district with 1,637  
36 enrollment in school year 2006-2007, and 1,622 enrollment in school year  
37 2007-2008 and each school year thereafter as derived from the linear  
38 transition under section 24(d), and amendments thereto, and subtract the  
39 amount determined under section 24(c), and amendments thereto, from the  
40 schedule amount so determined;

41 (b) divide the remainder obtained under subsection (a) by the amount  
42 determined under section 24(c), and amendments thereto, and multiply the  
43 quotient by the enrollment of the school district in the current school year.

1 The product is the high enrollment weighting of the school district.

2 New Sec. 26. (a) The program weighting of each school district shall  
3 be determined by the state board as follows:

4 (1) Compute full time equivalent enrollment in programs of bilingual  
5 education and multiply the computed enrollment by 0.395;

6 (2) compute full time equivalent enrollment in approved vocational  
7 education programs and multiply the computed enrollment by 0.5;

8 (3) add the products obtained under subsections (a)(1) and (a)(2). The  
9 sum is the program weighting of the school district.

10 (b) A school district may expend amounts received from the bilingual  
11 weighting to pay the cost of providing at-risk and preschool-aged at-risk  
12 education programs and services.

13 New Sec. 27. (a) The school facilities weighting of each school  
14 district shall be determined in each school year in which such weighting  
15 may be assigned to enrollment of the school district as follows:

16 (1) Determine the number of pupils, included in enrollment of the  
17 school district, who are attending a new school facility;

18 (2) multiply the number of pupils determined under subsection (a)(1)  
19 by 0.25. The product is the school facilities weighting of the school  
20 district.

21 (b) School facilities weighting may be assigned to enrollment of a  
22 school district only if:

23 (1) The school district has adopted a local option budget in an amount  
24 equal to at least 25% of the amount of the state financial aid determined  
25 for the school district in the current school year; and

26 (2) (A) The contractual bond obligations incurred by the school  
27 district were approved by the electors of the school district at an election  
28 held on or before July 1, 2017; or

29 (B) the school district commences operation of a new school facility  
30 in school year 2017-2018 or 2018-2019 and the construction of such  
31 facility was financed primarily with federal funds and such facility is  
32 located on a military reservation. School facilities weighting may be  
33 assigned to enrollment of the school district only in the school year in  
34 which operation of a new school facility is commenced and in the next  
35 succeeding school year.

36 New Sec. 28. The special education and related services weighting of  
37 each school district shall be determined in each school year as follows:

38 (a) Add the amount of payments received by the school district under  
39 the provisions of K.S.A. 72-979, and amendments thereto, to the amount  
40 of a grant, if any, received by the school district under the provisions of  
41 K.S.A. 72-983, and amendments thereto;

42 (b) divide the sum obtained under subsection (a) by base state aid per  
43 pupil. The quotient is the special education and related services weighting

1 of the school district.

2 New Sec. 29. (a) The at-risk pupil weighting of each school district  
3 shall be determined by the state board by multiplying the number of at-risk  
4 pupils included in enrollment of the school district by 0.278 for school  
5 year 2006-2007, by 0.378 for school year 2007-2008 and by 0.456 for  
6 school year 2008-2009 and each school year thereafter. The product is the  
7 at-risk pupil weighting of the school district.

8 (b) Except as provided in subsection (d), of the amount a school  
9 district receives from the at-risk pupil weighting, an amount produced by a  
10 pupil weighting of 0.01 shall be used by the school district for achieving  
11 mastery of basic reading skills by completion of the third grade in  
12 accordance with standards and outcomes of mastery identified by the state  
13 board under K.S.A. 72-7534, and amendments thereto.

14 (c) A school district shall include such information in its at-risk pupil  
15 assistance plan as the state board may require regarding the school  
16 district's remediation strategies and the results thereof in achieving the  
17 third grade reading standards and outcomes of mastery identified by the  
18 state board. The reporting requirements shall include information  
19 documenting remediation strategies and improvement made by pupils who  
20 performed below the expected standard on the second grade diagnostic  
21 reading test prescribed by the state board.

22 (d) A school district whose pupils substantially achieve the state  
23 board standards and outcomes of mastery of reading skills upon  
24 completion of third grade may be released, upon request, by the state  
25 board from the requirements of subsection (b).

26 (e) (1) A school district may expend amounts received from the at-  
27 risk pupil weighting to pay for the cost of providing full-day kindergarten  
28 to any pupil enrolled in the school district and attending full-day  
29 kindergarten whether or not such pupil is an at-risk pupil.

30 (2) Nothing in this subsection shall be construed as requiring school  
31 districts to provide full-day kindergarten nor as requiring any pupil to  
32 attend full-day kindergarten.

33 (3) As used in this subsection (e):

34 (A) "School district" means any school district which offers both full-  
35 day and half-day kindergarten.

36 (B) "Cost" means that portion of the cost of providing full-day  
37 kindergarten which is not paid by the state.

38 (f) A school district may expend amounts received from the at-risk  
39 weighting to pay the cost of providing preschool-aged at-risk, bilingual  
40 and vocational education programs and services.

41 New Sec. 30. (a) There is hereby established in every school district a  
42 fund which shall be called the at-risk education fund, which fund shall  
43 consist of all moneys deposited therein or transferred thereto according to

1 law. The expenses of a school district directly attributable to providing at-  
2 risk assistance or programs, including assistance or programs provided to  
3 nonproficient pupils, shall be paid from the at-risk education fund.

4 (b) (1) Any balance remaining in the at-risk education fund at the end  
5 of the budget year shall be carried forward into the at-risk education fund  
6 for succeeding budget years. Such fund shall not be subject to the  
7 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
8 In preparing the budget of such school district, the amounts credited to and  
9 the amount on hand in the at-risk education fund, and the amount  
10 expended therefrom shall be included in the annual budget for the  
11 information of the residents of the school district. Interest earned on the  
12 investment of moneys in any such fund shall be credited to that fund.

13 (2) Any unencumbered balance of moneys remaining in the at-risk  
14 education fund of a school district on June 30 of the current school year,  
15 may be expended in the school year that immediately succeeds such date  
16 by the school district for general operating expenses of the school district  
17 as approved by the board of education.

18 (c) Each year the board of education of each school district shall  
19 prepare and submit to the state board a report on the at-risk program or  
20 assistance provided by the school district. Such report shall include  
21 information specifying the number of at-risk pupils and nonproficient  
22 pupils who were served or provided assistance, the type of service  
23 provided, the research upon which the school district relied in determining  
24 that a need for service or assistance existed, the results of providing such  
25 service or assistance and any other information required by the state board.

26 (d) In order to achieve uniform reporting of the number of at-risk  
27 pupils and nonproficient pupils provided service or assistance by school  
28 districts in at-risk programs, school districts shall report the number of at-  
29 risk pupils and nonproficient pupils served or assisted in the manner  
30 required by the state board.

31 New Sec. 31. (a) There is hereby established in every school district a  
32 fund which shall be called the preschool-aged at-risk education fund,  
33 which fund shall consist of all moneys deposited therein or transferred  
34 thereto according to law. The expenses of a school district directly  
35 attributable to providing preschool-aged at-risk assistance or programs  
36 shall be paid from the preschool-aged at-risk education fund.

37 (b) A school district may expend amounts received from the  
38 preschool-aged at-risk weighting to pay the cost of providing at-risk,  
39 bilingual and vocational education programs and services.

40 (c) (1) Any balance remaining in the preschool-aged at-risk education  
41 fund at the end of the budget year shall be carried forward into the  
42 preschool-aged at-risk education fund for succeeding budget years. Such  
43 fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-



1 2937, and amendments thereto. In preparing the budget of such school  
2 district, the amounts credited to and the amount on hand in the preschool-  
3 aged at-risk education fund, and the amount expended therefrom shall be  
4 included in the annual budget for the information of the residents of the  
5 school district. Interest earned on the investment of moneys in any such  
6 fund shall be credited to that fund.

7 (2) Any unencumbered balance of moneys remaining in the  
8 preschool-aged at-risk education fund of a school district on June 30 of the  
9 current school year, may be expended in the school year that immediately  
10 succeeds such date by the school district for general operating expenses of  
11 the school district as approved by the board of education.

12 (d) Each year the board of education of each school district shall  
13 prepare and submit to the state board a report on the preschool-aged at-risk  
14 program or assistance provided by the school district. Such report shall  
15 include information specifying the number of pupils who were served or  
16 provided assistance, the type of service provided, the research upon which  
17 the school district relied in determining that a need for service or  
18 assistance existed, the results of providing such service or assistance and  
19 any other information required by the state board.

20 New Sec. 32. (a) The high density at-risk pupil weighting of each  
21 school district shall be determined by the state board in accordance with  
22 this section.

23 (b) Except as provided in subsection (d), if the school district has an  
24 enrollment of at least 35%, but less than 50% at-risk pupils, the state board  
25 shall:

26 (1) Subtract 35% from the percentage of at-risk enrollment in the  
27 school district;

28 (2) multiply the amount determined under subsection (b)(1) by 0.7;  
29 and

30 (3) multiply the number of at-risk pupils enrolled in the school  
31 district by the product determined under subsection (b)(2). The resulting  
32 product is the high density at-risk pupil weighting of the school district.

33 (c) If the school district has an enrollment of 50% or more at-risk  
34 pupils, the state board shall multiply the number of at-risk pupils by 0.105.  
35 The resulting product is the high density at-risk pupil weighting of the  
36 school district.

37 (d) If the school district has an enrollment of at least 35.1% at-risk  
38 pupils and an enrollment density of at least 212.1 pupils per square mile,  
39 the state board shall multiply the number of at-risk pupils by 0.105. The  
40 resulting product is the high density at-risk pupil weighting of the school  
41 district.

42 New Sec. 33. (a) If a pupil submits an application for free meals  
43 under the national school lunch act on or before the date on which the

1 enrollment of the school district is calculated and it is later determined by  
2 the school district or the department of education that the pupil should not  
3 have been eligible for free meals, the school district or the department  
4 shall notify the state board of such determination. Except as provided in  
5 subsection (b), upon receipt of such notice, the state board shall recompute  
6 the adjusted enrollment of the school district and the general fund budget  
7 of the school district based on the adjusted enrollment of the school district  
8 excluding the at-risk pupil weighting and high density at-risk pupil  
9 weighting, if any, assigned to such pupil.

10 (b) If a pupil becomes ineligible to receive free meals under the  
11 national school lunch act for failure to submit, in a timely manner, any  
12 documentation necessary for verification of eligibility as required by the  
13 national school lunch act, but subsequently submits such documentation,  
14 such pupil shall not be excluded from the calculation of the adjusted  
15 enrollment of the school district if the school district forwards a copy of  
16 such documentation to the state board no later than January 14 of the  
17 school year.

18 New Sec. 34. For the purpose of determining the general fund budget  
19 of a school district, weightings shall not be assigned to a pupil enrolled in  
20 and attending KAMS. Moneys in the general fund which are attributable to  
21 a pupil enrolled in and attending KAMS shall not be included in the  
22 computation of the local option budget of the school district.

23 New Sec. 35. (a) (1) The board of any school district to which the  
24 provisions of this subsection apply may levy an ad valorem tax on the  
25 taxable tangible property of the school district each year for a period of  
26 time not to exceed two years in an amount not to exceed the amount  
27 authorized by the state board of tax appeals under this subsection for the  
28 purpose of financing the costs incurred by the state that are directly  
29 attributable to assignment of ancillary school facilities weighting to  
30 enrollment of the school district. The state board of tax appeals may  
31 authorize the school district to make a levy which will produce an amount  
32 that is not greater than the difference between the amount of costs directly  
33 attributable to commencing operation of one or more new school facilities  
34 and the amount that is financed from any other source provided by law for  
35 such purpose, including any amount attributable to assignment of school  
36 facilities weighting to enrollment of the school district for each school year  
37 in which the school district is eligible for such weighting. If the school  
38 district is not eligible, or will be ineligible, for school facilities weighting  
39 in any one or more years during the two-year period for which the school  
40 district is authorized to levy a tax under this subsection, the state board of  
41 tax appeals may authorize the school district to make a levy, in such year  
42 or years of ineligibility, which will produce an amount that is not greater  
43 than the actual amount of costs attributable to commencing operation of

1 the facility or facilities.

2 (2) The state board of tax appeals shall certify to the state board of  
3 education the amount authorized to be produced by the levy of a tax under  
4 subsection (a).

5 (3) The state board of tax appeals may adopt rules and regulations  
6 necessary to effectuate the provisions of this subsection, including rules  
7 and regulations relating to the evidence required in support of a school  
8 district's claim that the costs attributable to commencing operation of one  
9 or more new school facilities are in excess of the amount that is financed  
10 from any other source provided by law for such purpose.

11 (4) The provisions of this subsection apply to any school district that:

12 (A) Commenced operation of one or more new school facilities in the  
13 school year preceding the current school year or has commenced or will  
14 commence operation of one or more new school facilities in the current  
15 school year or any or all of the foregoing;

16 (B) is authorized to adopt and has adopted a local option budget  
17 which is at least equal to that amount required to qualify for school  
18 facilities weighting under section 23, and amendments thereto; and

19 (C) is experiencing extraordinary enrollment growth as determined by  
20 the state board of education.

21 (b) The board of any school district that has levied an ad valorem tax  
22 on the taxable tangible property of the school district each year for a  
23 period of two years under authority of subsection (a) may continue to levy  
24 such tax under authority of this subsection each year for an additional  
25 period of time not to exceed six years in an amount not to exceed the  
26 amount computed by the state board of education as provided in this  
27 subsection if the board of the school district determines that the costs  
28 attributable to commencing operation of one or more new school facilities  
29 are significantly greater than the costs attributable to the operation of other  
30 school facilities in the school district. The tax authorized under this  
31 subsection may be levied at a rate which will produce an amount that is  
32 not greater than the amount computed by the state board of education as  
33 provided in this subsection. In computing such amount, the state board  
34 shall:

35 (1) Determine the amount produced by the tax levied by the school  
36 district under authority of subsection (a) in the second year for which such  
37 tax was levied and add to such amount the amount of general state aid  
38 directly attributable to school facilities weighting that was received by the  
39 school district in the same year;

40 (2) compute 90% of the amount of the sum obtained under subsection  
41 (b)(1), which computed amount is the amount the school district may levy  
42 in the first year of the six-year period for which the school district may  
43 levy a tax under authority of this subsection;

1 (3) compute 75% of the amount of the sum obtained under subsection  
2 (b)(1), which computed amount is the amount the school district may levy  
3 in the second year of the six-year period for which the school district may  
4 levy a tax under authority of this subsection;

5 (4) compute 60% of the amount of the sum obtained under subsection  
6 (b)(1), which computed amount is the amount the school district may levy  
7 in the third year of the six-year period for which the school district may  
8 levy a tax under authority of this subsection;

9 (5) compute 45% of the amount of the sum obtained under subsection  
10 (b)(1), which computed amount is the amount the school district may levy  
11 in the fourth year of the six-year period for which the school district may  
12 levy a tax under authority of this subsection;

13 (6) compute 30% of the amount of the sum obtained under subsection  
14 (b)(1), which computed amount is the amount the school district may levy  
15 in the fifth year of the six-year period for which the school district may  
16 levy a tax under authority of this subsection; and

17 (7) compute 15% of the amount of the sum obtained under subsection  
18 (b)(1), which computed amount is the amount the school district may levy  
19 in the sixth year of the six-year period for which the school district may  
20 levy a tax under authority of this subsection.

21 In determining the amount produced by the tax levied by the school  
22 district under authority of subsection (a), the state board shall include any  
23 moneys which have been apportioned to the ancillary facilities fund of the  
24 school district from taxes levied under the provisions of K.S.A. 79-5101 et  
25 seq. and 79-5118 et seq., and amendments thereto.

26 (c) The proceeds from the tax levied by a school district under  
27 authority of this section shall be remitted to the state treasurer in  
28 accordance with the provisions of K.S.A. 75-4215, and amendments  
29 thereto. Upon receipt of each such remittance, the state treasurer shall  
30 deposit the entire amount in the state treasury to the credit of the state  
31 school district finance fund.

32 (d) The ancillary school facilities weighting of each school district  
33 shall be determined in each school year in which such weighting may be  
34 assigned to enrollment of the school district as follows:

35 (1) Add the amount authorized under subsection (a) to be produced  
36 by a tax levy and certified to the state board by the state board of tax  
37 appeals to the amount, if any, computed under subsection (b) to be  
38 produced by a tax levy;

39 (2) divide the sum obtained under subsection (d)(1) by base state aid  
40 per pupil. The quotient is the ancillary school facilities weighting of the  
41 school district.

42 New Sec. 36. (a) Subject to subsection (b), the board of any school  
43 district may levy a tax on the taxable tangible property within the school

1 district for the purpose of financing the costs incurred by the state that are  
2 attributable directly to assignment of the cost of living weighting to the  
3 enrollment of the school district. There is hereby established in every  
4 school district a fund which shall be called the cost of living fund, which  
5 fund shall consist of all moneys deposited therein or transferred thereto in  
6 accordance with law. All moneys derived from a tax imposed pursuant to  
7 this section shall be credited to the cost of living fund. The proceeds from  
8 the tax levied by a school district credited to the cost of living fund shall  
9 be remitted to the state treasurer in accordance with the provisions of  
10 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such  
11 remittance, the state treasurer shall deposit the entire amount in the state  
12 treasury to the credit of the state school district finance fund.

13 (b) The state board of education shall determine whether a school  
14 district may levy a tax under this section as follows:

15 (1) Determine the statewide average appraised value of single family  
16 residences for the calendar year preceding the current school year;

17 (2) multiply the amount determined under subsection (b)(1) by 1.25;

18 (3) determine the average appraised value of single family residences  
19 in each school district for the calendar year preceding the current school  
20 year; and

21 (4) (A) subtract the amount determined under subsection (b)(2) from  
22 the amount determined under subsection (b)(3). If the amount determined  
23 for the school district under this paragraph is a positive number and the  
24 school district is authorized to adopt and has adopted a local option budget  
25 in an amount equal to at least 31% of the state financial aid for the school  
26 district, the school district qualifies for assignment of cost of living  
27 weighting and may levy a tax on the taxable tangible property of the  
28 school district for the purpose of financing the costs that are attributable  
29 directly to assignment of the cost of living weighting to enrollment of the  
30 school district; or

31 (B) as an alternative to the authority provided in subsection (b)(4)(A),  
32 if a school district was authorized to make a levy pursuant to this section  
33 in school year 2006-2007, such school district shall remain authorized to  
34 levy such tax at a rate necessary to generate revenue in the same amount  
35 generated in school year 2006-2007 if:

36 (i) The amount determined under subsection (b)(4)(A) is a positive  
37 number; and

38 (ii) the school district continues to adopt a local option budget in an  
39 amount equal to the state prescribed percentage in effect in school year  
40 2006-2007.

41 (c) No tax may be levied under this section unless the board of  
42 education adopts a resolution authorizing such a tax levy and publishes the  
43 resolution at least once in a newspaper having general circulation in the

1 school district. Except as provided by subsection (d), the resolution shall  
2 be published in substantial compliance with the following form:

3 Unified School District No. \_\_\_\_\_,  
4 \_\_\_\_\_ County, Kansas.

5 RESOLUTION

6 Be It Resolved that:

7 The board of education of the above-named school district shall be  
8 authorized to levy an ad valorem tax in an amount not to exceed the  
9 amount necessary to finance the costs attributable directly to the  
10 assignment of cost of living weighting to the enrollment of the school  
11 district. The ad valorem tax authorized by this resolution may be levied  
12 unless a petition in opposition to the same, signed by not less than 5% of  
13 the qualified electors of the school district, is filed with the county election  
14 officer of the home county of the school district within 30 days after the  
15 publication of this resolution. If a petition is filed, the county election  
16 officer shall submit the question of whether the levy of such a tax shall be  
17 authorized in accordance with the provisions of this resolution to the  
18 electors of the school district at the next general election of the school  
19 district, as is specified by the board of education of the school district.

20 CERTIFICATE

21 This is to certify that the above resolution was duly adopted by the  
22 board of education of unified school district No. \_\_\_\_\_,  
23 \_\_\_\_\_  
24 County, Kansas, on the \_\_\_\_ day of \_\_\_\_\_, (year)\_\_\_\_.

25 \_\_\_\_\_  
26 Clerk of the board of education.  
27

28 All of the blanks in the resolution shall be filled. If no petition as  
29 specified above is filed in accordance with the provisions of the resolution,  
30 the resolution authorizing the ad valorem tax levy shall become effective.  
31 If a petition is filed as provided in the resolution, the board may notify the  
32 county election officer to submit the question of whether such tax levy  
33 shall be authorized. If the board fails to notify the county election officer  
34 within 30 days after a petition is filed, the resolution shall be deemed  
35 abandoned and of no force and effect and no like resolution shall be  
36 adopted by the board within the nine months following publication of the  
37 resolution. If a majority of the votes cast in an election conducted pursuant  
38 to this provision are in favor of the resolution, such resolution shall be  
39 effective on the date of such election. If a majority of the votes cast are not  
40 in favor of the resolution, the resolution shall be deemed of no effect and  
41 no like resolution shall be adopted by the board within the nine months  
42 following such election.

43 (d) In determining the amount produced by the tax levied by the

1 school district under the authority of this section, the state board shall  
2 include any moneys which have been apportioned to the cost of living  
3 fund of the school district from taxes levied under the provisions of K.S.A.  
4 79-5101 et seq. and 79-5118 et seq., and amendments thereto.

5 (e) The cost of living weighting of a school district shall be  
6 determined by the state board in each school year in which such weighting  
7 may be assigned to enrollment of the school district as follows:

8 (1) Divide the amount determined under subsection (b)(4) by the  
9 amount determined under subsection (b)(2);

10 (2) multiply the dividend determined under subsection (e)(1) by  
11 0.095;

12 (3) multiply the school district's state financial aid, excluding the  
13 amount determined under this provision, by the lesser of the product  
14 determined subsection (e)(2) or 0.05; and

15 (4) divide the product determined subsection (e)(3) by the base state  
16 aid per pupil for the current school year. The quotient is the cost of living  
17 weighting of the school district.

18 New Sec. 37. (a) (1) (A) A school district may levy an ad valorem  
19 tax on the taxable tangible property of the school district each year for a  
20 period of time not to exceed two years in an amount not to exceed the  
21 amount authorized by the state board of tax appeals under this subsection  
22 for the purpose of financing the costs incurred by the state that are directly  
23 attributable to assignment of declining enrollment weighting to enrollment  
24 of the school district. The state board of tax appeals may authorize the  
25 school district to make a levy which will produce an amount that is not  
26 greater than the amount of revenues lost as a result of the declining  
27 enrollment of the school district. Such amount shall not exceed 5% of the  
28 general fund budget of the school district in the school year in which the  
29 school district applies to the state board of tax appeals for authority to  
30 make a levy pursuant to this section.

31 (B) As an alternative to the authority provided in subsection (a)(1)  
32 (A), if a school district was authorized to make a levy pursuant to this  
33 section in school year 2006-2007, such school district shall remain  
34 authorized to make a levy at a rate necessary to generate revenue in the  
35 same amount that was generated in school year 2007-2008 if the school  
36 district adopts a local option budget in an amount equal to the state  
37 prescribed percentage in effect in school year 2006-2007.

38 (2) The state board of tax appeals shall certify to the state board the  
39 amount authorized to be produced by the levy of a tax under this section.

40 (3) The state board shall prescribe guidelines for the data that school  
41 districts shall include in cases before the state board of tax appeals  
42 pursuant to this section.

43 (b) A school district may levy the tax authorized pursuant to this

1 section for a period of time not to exceed two years unless authority to  
2 make such levy is renewed by the state board of tax appeals. The state  
3 board of tax appeals may renew the authority to make such levy for  
4 periods of time not to exceed two years.

5 (c) The state board shall provide to the state board of tax appeals such  
6 school data and information requested by the state board of tax appeals  
7 and any other information deemed necessary by the state board.

8 (d) There is hereby established in every school district a fund which  
9 shall be called the declining enrollment fund. Such fund shall consist of all  
10 moneys deposited therein or transferred thereto according to law. The  
11 proceeds from the tax levied by a school district under authority of this  
12 section shall be credited to the declining enrollment fund of the school  
13 district. The proceeds from the tax levied by a school district credited to  
14 the declining enrollment fund shall be remitted to the state treasurer in  
15 accordance with the provisions of K.S.A. 75-4215, and amendments  
16 thereto. Upon receipt of each such remittance, the state treasurer shall  
17 deposit the entire amount in the state treasury to the credit of the state  
18 school district finance fund.

19 (e) In determining the amount produced by the tax levied by the  
20 school district under authority of this section, the state board shall include  
21 any moneys which have been apportioned to the declining enrollment fund  
22 of the school district from taxes levied under the provisions of K.S.A. 79-  
23 5101 et seq. and 79-5118 et seq., and amendments thereto.

24 (f) In each school year, each school district that imposes a declining  
25 enrollment levy pursuant to subsection (a) is eligible for entitlement to an  
26 amount of declining enrollment state aid. Entitlement of a school district to  
27 such state aid shall be determined by the state board as provided in this  
28 subsection. The state board shall:

29 (1) Determine the amount of the assessed valuation per pupil in the  
30 second preceding school year of each school district in the state;

31 (2) rank the school districts from low to high on the basis of the  
32 amounts of assessed valuation per pupil determined under subsection (f)  
33 (1);

34 (3) identify the amount of the assessed valuation per pupil located at  
35 the 75<sup>th</sup> percentile of the amounts ranked under subsection (f)(2);

36 (4) divide the assessed valuation per pupil of the school district in the  
37 preceding school year by the amount identified under subsection (f)(3);

38 (5) subtract the ratio obtained under subsection (f)(4) from 1.0. If the  
39 resulting ratio equals or exceeds 1.0, the eligibility of the school district  
40 for entitlement to declining enrollment state aid shall lapse. If the resulting  
41 ratio is less than 1.0, the school district is entitled to receive declining  
42 enrollment state aid in an amount which shall be determined by the state  
43 board by multiplying the amount the school district is obligated to pay



1 under subsection (c) by such ratio. The product is the amount of declining  
2 enrollment state aid the school district is entitled to receive for the school  
3 year.

4 (g) If the amount of appropriations for declining enrollment state aid  
5 is less than the amount each school district is entitled to receive for the  
6 school year, the state board shall prorate the amount appropriated among  
7 the school districts in proportion to the amount each school district is  
8 entitled to receive.

9 (h) The state board shall prescribe the dates upon which the  
10 distribution of payments of declining enrollment state aid to school  
11 districts shall be due. Payments of such state aid shall be distributed to  
12 school districts on the dates prescribed by the state board. The state board  
13 shall certify to the director of accounts and reports the amount due each  
14 school district, and the director of accounts and reports shall draw a  
15 warrant on the state treasurer payable to the treasurer of the school district.  
16 Upon receipt of the warrant, the treasurer of the school district shall credit  
17 the amount thereof to the declining enrollment fund of the school district  
18 to be used for the purposes of such fund.

19 (i) If any amount of declining enrollment state aid that is due to be  
20 paid during the month of June of a school year pursuant to the other  
21 provisions of this section is not paid on or before June 30 of such school  
22 year, then such payment shall be paid on or after the ensuing July 1, as  
23 soon as moneys are available therefor. Any payment of declining  
24 enrollment state aid that is due to be paid during the month of June of a  
25 school year and that is paid to school districts on or after the ensuing July  
26 1 shall be recorded and accounted for by school districts as a receipt for  
27 the school year ending on the preceding June 30.

28 (j) As used in this section:

29 (1) "Declining enrollment" means an enrollment which has declined  
30 in amount from that of the preceding school year.

31 (2) "School district" means a school district which: (A) Has a  
32 declining enrollment; and (B) has adopted a local option budget in an  
33 amount which equals at least 31% of the state financial aid for the school  
34 district at the time the school district applies to the state board of tax  
35 appeals for authority to make a levy pursuant to this section.

36 New Sec. 38. (a) There is hereby established in every school district a  
37 fund which shall be called the special education fund, which fund shall  
38 consist of all moneys deposited therein or transferred thereto according to  
39 law. Notwithstanding any other provision of law, all moneys received by  
40 the school district from whatever source for special education shall be  
41 credited to the special education fund established by this section, except  
42 that: (1) Amounts of payments received by a school district under K.S.A.  
43 72-979, and amendments thereto, and amounts of grants, if any, received

1 by a school district under K.S.A. 72-983, and amendments thereto, shall be  
2 deposited in the general fund of the school district and transferred to the  
3 special education fund; and (2) moneys received by a school district  
4 pursuant to lawful agreements made under K.S.A. 72-968, and  
5 amendments thereto, shall be credited to the special fund established under  
6 the agreements.

7 (b) The expenses of a school district directly attributable to special  
8 education shall be paid from the special education fund and from special  
9 funds established under K.S.A. 72-968, and amendments thereto.

10 (c) Obligations of a school district pursuant to lawful agreements  
11 made under K.S.A. 72-968, and amendments thereto, shall be paid from  
12 the special education fund established by this section.

13 (d) Except for moneys received under K.S.A. 72-978, and  
14 amendments thereto, from cooperative agreements entered into under  
15 K.S.A. 72-968, and amendments thereto, any unencumbered balance of  
16 moneys attributable to appropriations by the legislature for special  
17 education or related services remaining in the special education fund of a  
18 school district on June 30 of the current school year, may be expended in  
19 the school year that immediately succeeds such date by the school district  
20 for general operating expenses of the school district as approved by the  
21 board of education in an amount not to exceed  $\frac{1}{3}$  of the unencumbered  
22 balance of the school district's special education fund.

23 New Sec. 39. (a) There is hereby established in every school district a  
24 fund which shall be called the vocational education fund. All moneys  
25 received by a school district for any course or program authorized and  
26 approved under the provisions of article 44 of chapter 72 of Kansas  
27 Statutes Annotated, and amendments thereto, except for courses and  
28 programs conducted in an area vocational school, shall be credited to the  
29 vocational education fund. All moneys received by the school district from  
30 tuition, fees or charges or from any other source for vocational education  
31 courses or programs, except for courses and programs conducted in an  
32 area vocational school, shall be credited to the vocational education fund.  
33 The expenses of a school district directly attributable to vocational  
34 education shall be paid from the vocational education fund.

35 (b) Obligations of a school district pursuant to lawful agreements  
36 made under K.S.A. 72-4421, and amendments thereto, shall be paid from  
37 the vocational education fund established by this section. If any such  
38 agreement expresses an obligation of a school district in terms of a mill  
39 levy, such obligation shall be construed to mean an amount equal to that  
40 which would be produced by the levy.

41 (c) (1) Any balance remaining in the vocational education fund at the  
42 end of the budget year shall be carried forward into the vocational  
43 education fund for succeeding budget years. Such fund shall not be subject

1 to the provisions of K.S.A. 79-2925 through 79-2937, and amendments  
2 thereto. In preparing the budget of such school district, the amounts  
3 credited to and the amount on hand in the vocational education fund, and  
4 the amount expended therefrom shall be included in the annual budget for  
5 the information of the residents of the school district. Interest earned on  
6 the investment of moneys in any such fund shall be credited to that fund.

7 (2) Any unencumbered balance of moneys attributable to  
8 appropriations by the legislature in the vocational education fund of a  
9 school district on June 30 of the current school year, may be expended in  
10 the school year that immediately succeeds such date by the school district  
11 for general operating expenses of the school district as approved by the  
12 board of education.

13 New Sec. 40. (a) There is hereby established in every school district a  
14 fund which shall be called the driver training fund which fund shall consist  
15 of all moneys deposited therein or transferred thereto according to law. All  
16 moneys received by the school district from distributions made from the  
17 state safety fund and the motorcycle safety fund and from tuition, fees or  
18 charges for driver training courses shall be credited to the driver training  
19 fund. The expenses of a school district directly attributable to driver  
20 training shall be paid from the driver training fund.

21 (b) Any unencumbered balance of moneys remaining in the driver  
22 training fund of a school district on June 30 of the current school year, may  
23 be expended in the school year that immediately succeeds such date by the  
24 school district for general operating expenses of the school district as  
25 approved by the board of education.

26 New Sec. 41. There is hereby established in every school district a  
27 fund which shall be called the food service fund, which fund shall consist  
28 of all moneys deposited therein or transferred thereto according to law. All  
29 moneys received by the school district for food service and from charges  
30 for food service shall be credited to the food service fund. The expenses of  
31 a school district attributable to food service shall be paid from the food  
32 service fund.

33 New Sec. 42. (a) There is hereby established in every school district a  
34 fund which shall be called the contingency reserve fund. Such fund shall  
35 consist of all moneys deposited therein or transferred thereto according to  
36 law. The fund shall be maintained for payment of expenses of a school  
37 district attributable to financial contingencies as determined by the board.

38 (b) Any unencumbered balance of moneys remaining in the  
39 contingency reserve fund of a school district on June 30 of the current  
40 school year, may be expended in the school year that immediately  
41 succeeds such date by the school district for general operating expenses of  
42 the school district as approved by the board of education.

43 New Sec. 43. (a) Except as otherwise provided in this section, any

1 revenues of a school district, not required by law to be deposited in or  
2 credited to a specific fund, shall be deposited in or credited to any program  
3 weighted fund or any categorical fund of the school district or to the  
4 capital outlay fund of the school district.

5 (b) At the discretion of the board of any school district, revenues  
6 earned from the investment of an activity fund of the school district in  
7 accordance with the provisions of K.S.A. 12-1675, and amendments  
8 thereto, may be deposited in or credited to such activity fund.

9 (c) (1) At the discretion of the board of any school district and subject  
10 to subsection (c)(2), any revenues specified in subsections (a) and (b) may  
11 be deposited in or credited to the general fund of the school district in any  
12 school year for which the allotment system authorized under K.S.A. 75-  
13 3722, and amendments thereto, has been inaugurated and applied to  
14 appropriations made for general state aid or in any school year for which  
15 any portion of the appropriations made for general state aid are lapsed by  
16 act of the legislature.

17 (2) In no event may the amount of revenues deposited in or credited  
18 to the general fund of the school district under authority of subsection (c)  
19 (1) exceed an amount equal to the amount of the reduction in general state  
20 aid entitlement of the school district determined by the state board to be  
21 the result of application of the allotment system to the appropriations made  
22 for general state aid or of the lapse of any portion thereof by act of the  
23 legislature.

24 (d) At the discretion of the board of any school district, revenues  
25 received by the school district from the federal government as the school  
26 district's share of the proceeds derived from sale by the federal government  
27 of its rights to oil, gas and other minerals located beneath the surface of  
28 lands within the school district's boundaries may be deposited in the bond  
29 and interest fund of the school district and used for the purposes of such  
30 fund. If at any time all indebtedness and obligations of such fund have  
31 been fully paid and canceled, the revenues authorized by this subsection to  
32 be deposited in such fund shall be disposed of as provided in subsection  
33 (a).

34 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and  
35 amendments thereto, conflict with this section, this section shall control.

36 New Sec. 44. (a) Any lawful transfer of moneys from the general  
37 fund of a school district to any other fund shall be an operating expense in  
38 the year the transfer is made. The board of any school district may transfer  
39 moneys from the general fund to any categorical fund of the school district  
40 in any school year. The board of any school district may transfer moneys  
41 from the general fund to any program weighted fund of the school district,  
42 subject to the following conditions:

43 (1) No board shall transfer moneys in any amount from the general

1 fund to a program weighted fund prior to maturation of the obligation of  
2 the fund necessitating the transfer.

3 (2) The board may transfer moneys in an amount not to exceed the  
4 amount of the obligation of the program weighted fund necessitating the  
5 transfer.

6 (b) The board of any school district may transfer moneys from the  
7 general fund to the contingency reserve fund of the school district, subject  
8 to the limitations imposed upon the amount authorized to be maintained in  
9 the contingency reserve fund under section 42, and amendments thereto.

10 (c) The board of any school district may transfer moneys from the  
11 general fund to the capital outlay fund of the school district.

12 (d) The board of any school district may transfer moneys from the  
13 general fund to the special reserve fund.

14 (e) The board of any school district may transfer moneys from the  
15 general fund to the special liability expense fund.

16 (f) The board of any school district may transfer moneys from the  
17 general fund to the textbook and student materials revolving fund.

18 (g) In each school year, any board may transfer to its general fund  
19 from any fund to which transfers from the general fund are authorized an  
20 amount not to exceed an amount equal to the amount transferred from the  
21 general fund to any such fund in the same school year.

22 New Sec. 45. Expenditures of a school district for the following  
23 purposes are not operating expenses:

24 (a) Payments to another school district in an adjustment of rights as  
25 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of  
26 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and  
27 amendments thereto, if paid from any fund other than the general fund.

28 (b) Payments to another school district under K.S.A. 72-7105a, and  
29 amendments thereto.

30 (c) The maintenance of student activities which are reimbursed.

31 (d) Expenditures from any lawfully authorized fund of a school  
32 district other than its general fund.

33 (e) The provision of educational services for pupils residing at the  
34 Flint Hills job corps center, for pupils housed at a psychiatric residential  
35 treatment facility or for pupils confined in a juvenile detention facility for  
36 which the school district is reimbursed by a grant of state moneys as  
37 provided in K.S.A. 72-8187, and amendments thereto. As used in this  
38 subsection, juvenile detention facility and psychiatric residential treatment  
39 facility have the meanings ascribed thereto by K.S.A. 72-8187, and  
40 amendments thereto.

41 (f) Programs financed in part or in whole by federal funds which may  
42 be expended although not included in the budget of the school district,  
43 excepting funds received under the provisions of title I of public law 874,

1 but not including in such exception amounts received for assistance in  
2 cases of major disaster and amounts received under the low-rent housing  
3 program, to the extent of the federal funds to be provided.

4 New Sec. 46. In case a school district expends in any school year an  
5 amount for operating expenses which exceeds its general fund budget, the  
6 state board shall determine the excess and deduct the same from amounts  
7 of general state aid payable to the school district during the next school  
8 year.

9 New Sec. 47. (a) For school year 2016-2017, and each school year  
10 thereafter, subject to any limitations as provided in this act, any school  
11 district may expend the unencumbered balance of the moneys held in the  
12 at-risk education fund, as provided in section 30, and amendments thereto,  
13 bilingual education fund, as provided in K.S.A. 72-9509, and amendments  
14 thereto, contingency reserve fund, as provided in section 42, and  
15 amendments thereto, driver training fund, as provided in section 40, and  
16 amendments thereto, parent education program fund, as provided in  
17 K.S.A. 72-3607, and amendments thereto, preschool-aged at-risk  
18 education fund, as provided in section 31, and amendments thereto,  
19 professional development fund, as provided in K.S.A. 72-9609, and  
20 amendments thereto, summer program fund, as provided in K.S.A. 72-  
21 8237, and amendments thereto, textbook and student materials revolving  
22 fund, as provided in K.S.A. 72-8250, and amendments thereto, special  
23 education fund, as provided in K.S.A. 72-965 and section 38, and  
24 amendments thereto, virtual school fund, as provided in K.S.A. 72-3715,  
25 and amendments thereto, and vocational education fund, as provided in  
26 section 39, and amendments thereto, to pay for general operating expenses  
27 of the school district out of the general fund as approved by the board of  
28 education of such school district.

29 The board of education of a school district shall consider the use of  
30 such funds in the following order of priority:

31 (1) At-risk education fund, bilingual education fund, contingency  
32 reserve fund, driver training fund, parent education program fund,  
33 preschool-aged at-risk education fund, professional development fund,  
34 summer program fund, virtual school fund and vocational education fund;

35 (2) textbook and student materials revolving fund; and

36 (3) special education fund.

37 The board of education of a school district shall not be limited to the  
38 order of priority as listed in this subsection if the board so chooses. The  
39 board of education of a school district shall not be required to use the total  
40 amount of the unencumbered balance of moneys in a fund before using the  
41 unencumbered balance of moneys in another fund.

42 (b) The amount of money expended by a school district in school  
43 year 2016-2017, and each school year thereafter, from the unencumbered

1 balance of moneys in the funds under subsection (a) shall not exceed, in  
2 the aggregate, an amount determined by the state board of education. Such  
3 amount shall be determined by the state board as follows:

4 (1) Determine the adjusted enrollment of the school district,  
5 excluding special education and related services weighting, for the current  
6 school year;

7 (2) multiply the adjusted enrollment determined under subsection (b)  
8 (1) by \$250. The product is the aggregate amount of moneys that may be  
9 expended by a school district in the current school year from the  
10 unencumbered balance of moneys in the funds under subsection (a).

11 (c) It is the public policy goal of the state of Kansas that at least 65%  
12 of the aggregate of all unencumbered balances authorized to be expended  
13 for general operating expenses pursuant to subsection (a) shall be  
14 expended in the classroom or for instruction, as provided in K.S.A. 2015  
15 Supp. 72-64c01, and amendments thereto.

16 (d) The superintendent appointed by the board of education of each  
17 school district under K.S.A. 72-8202b, and amendments thereto, shall  
18 report the unencumbered balance of moneys in each fund listed in  
19 subsection (a) to the board of education in July of each year at the meeting  
20 described in K.S.A. 72-8205, and amendments thereto, and to the state  
21 board of education on or before July 15 of such year.

22 New Sec. 48. (a) In order to accomplish the mission for Kansas  
23 education, the state board of education shall design and adopt a school  
24 performance accreditation system based upon improvement in  
25 performance that reflects high academic standards and is measurable.

26 (b) The state board shall establish curriculum standards which reflect  
27 high academic standards for the core academic areas of mathematics,  
28 science, reading, writing and social studies. The curriculum standards shall  
29 be reviewed at least every seven years. Nothing in this subsection shall be  
30 construed in any manner so as to impinge upon any school district's  
31 authority to determine its own curriculum.

32 (c) The state board shall provide for statewide assessments in the core  
33 academic areas of mathematics, science, reading, writing and social  
34 studies. The board shall ensure compatibility between the statewide  
35 assessments and the curriculum standards established pursuant to  
36 subsection (b). Such assessments shall be administered at three grade  
37 levels, as determined by the board. The state board shall determine  
38 performance levels on the statewide assessments, the achievement of  
39 which represents high academic standards in the academic area at the  
40 grade level to which the assessment applies. The state board should specify  
41 high academic standards both for individual performance and school  
42 performance on the assessments.

43 (d) Each school in every school district shall establish a school site

1 council composed of the principal and representatives of teachers and  
2 other school personnel, parents of pupils attending the school, the business  
3 community and other community groups. School site councils shall be  
4 responsible for providing advice and counsel in evaluating state, school  
5 district, and school site performance goals and objectives and in  
6 determining the methods that should be employed at the school site to  
7 meet these goals and objectives. Site councils may make recommendations  
8 and proposals to the school board regarding budgetary items and school  
9 district matters, including, but not limited to, identifying and implementing  
10 the best practices for developing efficient and effective administrative and  
11 management functions. Site councils also may help school boards analyze  
12 the unique environment of schools, enhance the efficiency and maximize  
13 limited resources, including outsourcing arrangements and cooperative  
14 opportunities as a means to address limited budgets.

15 (e) Whenever the state board of education determines that a school  
16 has failed either to meet the accreditation requirements established by  
17 rules and regulations or standards adopted by the state board or provide the  
18 curriculum required by state law, the state board shall so notify the school  
19 district in which the school is located. Such notice shall specify the  
20 accreditation requirements that the school has failed to meet and the  
21 curriculum that the school has failed to provide. Upon receipt of such  
22 notice, the board of education of such school district is encouraged to  
23 reallocate the resources of the school district to remedy all deficiencies  
24 identified by the state board. When making such reallocation, the board of  
25 education shall take into consideration the resource strategies of highly  
26 resource-efficient school districts as identified in phase III of the Kansas  
27 education resource management study conducted by Standard and Poor's  
28 (March 2006).

29 New Sec. 49. The state board may adopt rules and regulations for the  
30 administration of this act, including the classification of expenditures of  
31 school districts to insure uniform reporting of operating expenses.

32 New Sec. 50. Except as provided by this section, the provisions of  
33 this act shall not be severable. If any provision of this act, other than the  
34 provisions relating to declining enrollment and the increase in  
35 supplemental general state aid attributable to the increase in the state  
36 prescribed percentage under section 17, and amendments thereto, is held to  
37 be invalid or unconstitutional by court order, the entire act shall be null  
38 and void.

39 New Sec. 51. (a) As used in this section:

40 (1) "Pupil" means a pupil who is a resident of and enrolled, on a full-  
41 time basis, in a school district.

42 (2) "School district" means a school district which does not offer  
43 advanced placement courses and which is either more than 200 square



1 miles in area or has an enrollment of at least 260 pupils and does not offer  
2 advanced placement courses.

3 (b) If a pupil is enrolled in at least one advanced placement course  
4 provided by a virtual school, the school district offering the virtual school  
5 shall be paid an amount equal to 8% of the amount of base state aid per  
6 pupil for such pupil as additional virtual school state aid. Such state aid  
7 shall be paid in each semester in which a pupil is enrolled in at least one  
8 advanced placement course provided by a virtual school.

9 New Sec. 52. (a) There is hereby established in the state treasury the  
10 school district capital outlay state aid fund. Such fund shall consist of all  
11 amounts transferred thereto under the provisions of subsection (c).

12 (b) In each school year, each school district which levies a tax  
13 pursuant to K.S.A. 72-8801 et seq., and amendments thereto, shall be  
14 entitled to receive payment from the school district capital outlay state aid  
15 fund in an amount determined by the state board of education as provided  
16 in this subsection. The state board of education shall:

17 (1) Determine the amount of the assessed valuation per pupil (AVPP)  
18 of each school district in the state for the second preceding school year  
19 from the current school year and round such amount to the nearest \$1,000.  
20 The rounded amount is the AVPP of a school district for the purposes of  
21 this section;

22 (2) determine the median AVPP of all school districts;

23 (3) prepare a schedule of dollar amounts using the amount of the  
24 median AVPP of all school districts as the point of beginning. The  
25 schedule of dollar amounts shall range upward in equal \$1,000 intervals  
26 from the point of beginning to and including an amount that is equal to the  
27 amount of the AVPP of the school district with the highest AVPP of all  
28 school districts and shall range downward in equal \$1,000 intervals from  
29 the point of beginning to and including an amount that is equal to the  
30 amount of the AVPP of the school district with the lowest AVPP of all  
31 school districts;

32 (4) determine a state aid percentage factor for each school district by  
33 assigning a state aid computation percentage to the amount of the median  
34 AVPP shown on the schedule, decreasing the state aid computation  
35 percentage assigned to the amount of the median AVPP by one percentage  
36 point for each \$1,000 interval above the amount of the median AVPP, and  
37 increasing the state aid computation percentage assigned to the amount of  
38 the median AVPP by one percentage point for each \$1,000 interval below  
39 the amount of the median AVPP. Except as provided by section 53, and  
40 amendments thereto, the state aid percentage factor of a school district is  
41 the percentage assigned to the schedule amount that is equal to the amount  
42 of the AVPP of the school district, except that the state aid percentage  
43 factor of a school district shall not exceed 100%. The state aid

1 computation percentage is 25%;

2 (5) determine the amount levied by each school district pursuant to  
3 K.S.A. 72-8801 et seq., and amendments thereto;

4 (6) multiply the amount computed under subsection (b)(5), but not to  
5 exceed 8 mills, by the applicable state aid percentage factor. The product is  
6 the amount of payment the school district is entitled to receive from the  
7 school district capital outlay state aid fund in the school year.

8 (c) The state board shall certify to the director of accounts and reports  
9 the entitlements of school districts determined under the provisions of  
10 subsection (b), and an amount equal thereto shall be transferred by the  
11 director from the state general fund to the school district capital outlay  
12 state aid fund for distribution to school districts. All transfers made in  
13 accordance with the provisions of this subsection shall be considered to be  
14 demand transfers from the state general fund.

15 (d) Payments from the school district capital outlay state aid fund  
16 shall be distributed to school districts at times determined by the state  
17 board of education. The state board of education shall certify to the  
18 director of accounts and reports the amount due each school district  
19 entitled to payment from the fund, and the director of accounts and reports  
20 shall draw a warrant on the state treasurer payable to the treasurer of the  
21 school district. Upon receipt of the warrant, the treasurer of the school  
22 district shall credit the amount thereof to the capital outlay fund of the  
23 school district to be used for the purposes of such fund.

24 (e) Amounts transferred to the capital outlay fund of a school district  
25 as authorized by section 17, and amendments thereto, shall not be included  
26 in the computation when determining the amount of state aid to which a  
27 district is entitled to receive under this section.

28 New Sec. 53. (a) Unless the context otherwise requires, as used in  
29 this section, "district" means: (1) Any school district formed by  
30 consolidation in accordance with article 87 of chapter 72 of the Kansas  
31 Statutes Annotated, and amendments thereto; or (2) any school district  
32 formed by disorganization and attachment in accordance with article 73 of  
33 chapter 72 of the Kansas Statutes Annotated, and amendments thereto, if  
34 all the territory which comprised a disorganized district is attached to a  
35 single district.

36 (b) (1) For the purposes of determining the amount of the payment  
37 from the school district capital outlay state aid fund under section 52, and  
38 amendments thereto, the state board shall determine the state aid  
39 percentage factor of each of the former school districts of which the  
40 district is composed for the school year prior to the effectuation of the  
41 consolidation or attachment.

42 (2) For the school year in which the consolidation or attachment is  
43 effectuated and the next two succeeding school years, the state aid

1 percentage factor of the district shall be the highest state aid percentage  
2 factor determined under paragraph (1).

3 (c) The provisions of this section shall apply to school districts which  
4 have consolidated or disorganized on and after July 1, 2004.

5 Sec. 54. K.S.A. 2015 Supp. 10-1116a is hereby amended to read as  
6 follows: 10-1116a. The limitations on expenditures imposed under the  
7 cash-basis law shall not apply to:

8 (a) Expenditures in excess of current revenues made for municipally  
9 owned and operated utilities out of the fund of such utilities caused by, or  
10 resulting from the meeting of, extraordinary emergencies including  
11 drought emergencies. In such cases expenditures in excess of current  
12 revenues may be made by declaring an extraordinary emergency by  
13 resolution adopted by the governing body and such resolution shall be  
14 published at least once in a newspaper of general circulation in such city.  
15 Thereupon, such governing body may issue interest bearing no-fund  
16 warrants on such utility fund in an amount, including outstanding  
17 previously issued no-fund warrants, not to exceed 25% of the revenues  
18 from sales of service of such utility for the preceding year. Such warrants  
19 shall be redeemed within three years from date of issuance and shall bear  
20 interest at a rate of not to exceed the maximum rate of interest prescribed  
21 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a  
22 drought emergency, the governing body may issue such warrants for water  
23 system improvement purposes in an amount not to exceed 50% of the  
24 revenue received from the sale of water for the preceding year. Such  
25 warrants shall be redeemed within five years from the date of issuance and  
26 shall bear interest at a rate not to exceed the maximum rate of interest  
27 prescribed by K.S.A. 10-1009, and amendments thereto.

28 (b) Expenditures in any month by school districts which are in excess  
29 of current revenues if the deficit or shortage in revenues is caused by, or a  
30 result of, the payment of state aid after the date prescribed for the payment  
31 of state aid during such month under ~~K.S.A. 2015 Supp. 72-6466~~ *section*  
32 *9*, and amendments thereto.

33 Sec. 55. K.S.A. 2015 Supp. 12-1677 is hereby amended to read as  
34 follows: 12-1677. (a) Except as otherwise required by state or federal law,  
35 all moneys earned and collected from investments by counties, area  
36 vocational-technical schools and quasi-municipal corporations authorized  
37 in this act shall be credited to the general fund of such county, area  
38 vocational-technical school or quasi-municipal corporation by the treasurer  
39 thereof, and all moneys earned and collected from investments by school  
40 districts authorized in this act shall be credited ~~to the general fund of the~~  
41 ~~school district~~ *in accordance with the provisions of section 43, and*  
42 *amendments thereto.*

43 (b) The treasurer of each county, school district, area vocational-

1 technical school or quasi-municipal corporation shall maintain a complete  
2 record of all investments authorized in this act and shall make a quarterly  
3 written report of such record to the governing body of such county, school  
4 district, area vocational-technical school or quasi-municipal corporation.

5 Sec. 56. K.S.A. 2015 Supp. 12-1770a is hereby amended to read as  
6 follows: 12-1770a. As used in this act, and amendments thereto, the  
7 following words and phrases shall have the following meanings unless a  
8 different meaning clearly appears from the content:

9 (a) "Auto race track facility" means: (1) An auto race track facility  
10 and facilities directly related and necessary to the operation of an auto race  
11 track facility, including, but not limited to, grandstands, suites and viewing  
12 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
13 centers, signage and temporary hospitality facilities, but excluding (2)  
14 hotels, motels, restaurants and retail facilities, not directly related to or  
15 necessary to the operation of such facility.

16 (b) "Base year assessed valuation" means the assessed valuation of all  
17 real property within the boundaries of a redevelopment district on the date  
18 the redevelopment district was established.

19 (c) "Blighted area" means an area which:

20 (1) Because of the presence of a majority of the following factors,  
21 substantially impairs or arrests the development and growth of the  
22 municipality or constitutes an economic or social liability or is a menace to  
23 the public health, safety, morals or welfare in its present condition and use:

24 (A) A substantial number of deteriorated or deteriorating structures;

25 (B) predominance of defective or inadequate street layout;

26 (C) unsanitary or unsafe conditions;

27 (D) deterioration of site improvements;

28 (E) tax or special assessment delinquency exceeding the fair market  
29 value of the real property;

30 (F) defective or unusual conditions of title including, but not limited  
31 to, cloudy or defective titles, multiple or unknown ownership interests to  
32 the property;

33 (G) improper subdivision or obsolete platting or land uses;

34 (H) the existence of conditions which endanger life or property by  
35 fire or other causes; or

36 (I) conditions which create economic obsolescence; or

37 (2) has been identified by any state or federal environmental agency  
38 as being environmentally contaminated to an extent that requires a  
39 remedial investigation; feasibility study and remediation or other similar  
40 state or federal action; or

41 (3) a majority of the property is a 100-year floodplain area; or

42 (4) previously was found by resolution of the governing body to be a  
43 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments

1 thereto.

2 (d) "Conservation area" means any improved area comprising 15% or  
3 less of the land area within the corporate limits of a city in which 50% or  
4 more of the structures in the area have an age of 35 years or more, which  
5 area is not yet blighted, but may become a blighted area due to the  
6 existence of a combination of two or more of the following factors:

- 7 (1) Dilapidation, obsolescence or deterioration of the structures;  
8 (2) illegal use of individual structures;  
9 (3) the presence of structures below minimum code standards;  
10 (4) building abandonment;  
11 (5) excessive vacancies;  
12 (6) overcrowding of structures and community facilities; or  
13 (7) inadequate utilities and infrastructure.

14 (e) "De minimus" means an amount less than 15% of the land area  
15 within a redevelopment district.

16 (f) "Developer" means any person, firm, corporation, partnership or  
17 limited liability company, other than a city and other than an agency,  
18 political subdivision or instrumentality of the state or a county when  
19 relating to a bioscience development district.

20 (g) "Eligible area" means a blighted area, conservation area,  
21 enterprise zone, intermodal transportation area, major tourism area or a  
22 major commercial entertainment and tourism area or bioscience  
23 development area.

24 (h) "Enterprise zone" means an area within a city that was designated  
25 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107  
26 through 12-17,113, and amendments thereto, prior to its repeal and the  
27 conservation, development or redevelopment of the area is necessary to  
28 promote the general and economic welfare of such city.

29 (i) "Environmental increment" means the increment determined  
30 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

31 (j) "Environmentally contaminated area" means an area of land  
32 having contaminated groundwater or soil which is deemed  
33 environmentally contaminated by the department of health and  
34 environment or the United States environmental protection agency.

35 (k) (1) "Feasibility study" means:

36 (A) A study which shows whether a redevelopment project's or  
37 bioscience development project's benefits and tax increment revenue and  
38 other available revenues under K.S.A. 12-1774(a)(1), and amendments  
39 thereto, are expected to exceed or be sufficient to pay for the  
40 redevelopment or bioscience development project costs; and

41 (B) the effect, if any, the redevelopment project costs or bioscience  
42 development project will have on any outstanding special obligation bonds  
43 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and

1 amendments thereto.

2 (2) For a redevelopment project or bioscience project financed by  
 3 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and  
 4 amendments thereto, the feasibility study must also include:

5 (A) A statement of how the taxes obtained from the project will  
 6 contribute significantly to the economic development of the jurisdiction in  
 7 which the project is located;

8 (B) a statement concerning whether a portion of the local sales and  
 9 use taxes are pledged to other uses and are unavailable as revenue for the  
 10 redevelopment project. If a portion of local sales and use taxes is so  
 11 committed, the applicant shall describe the following:

12 (i) The percentage of sales and use taxes collected that are so  
 13 committed; and

14 (ii) the date or dates on which the local sales and use taxes pledged to  
 15 other uses can be pledged for repayment of special obligation bonds;

16 (C) an anticipated principal and interest payment schedule on the  
 17 bonds;

18 (D) following approval of the redevelopment plan, the feasibility  
 19 study shall be supplemented to include a copy of the minutes of the  
 20 governing body meeting or meetings of any city whose bonding authority  
 21 will be utilized in the project, evidencing that a redevelopment plan has  
 22 been created, discussed, and adopted by the city in a regularly scheduled  
 23 open public meeting; and

24 (E) the failure to include all information enumerated in this  
 25 subsection in the feasibility study for a redevelopment or bioscience  
 26 project shall not affect the validity of bonds issued pursuant to this act.

27 (l) "Major tourism area" means an area for which the secretary has  
 28 made a finding the capital improvements costing not less than  
 29 \$100,000,000 will be built in the state to construct an auto race track  
 30 facility.

31 (m) "Real property taxes" means all taxes levied on an ad valorem  
 32 basis upon land and improvements thereon, except that when relating to a  
 33 bioscience development district, as defined in this section, "real property  
 34 taxes" does not include property taxes levied for schools, pursuant to  
 35 ~~K.S.A. 2015 Supp. 72-6470~~ *section 16*, and amendments thereto.

36 (n) "Redevelopment project area" means an area designated by a city  
 37 within a redevelopment district or, if the redevelopment district is  
 38 established for an intermodal transportation area, an area designated by a  
 39 city within or outside of the redevelopment district.

40 (o) "Redevelopment project costs" means: (1) Those costs necessary  
 41 to implement a redevelopment project plan or a bioscience development  
 42 project plan, including costs incurred for:

43 (A) Acquisition of property within the redevelopment project area;

- 1 (B) payment of relocation assistance pursuant to a relocation  
2 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;
- 3 (C) site preparation including utility relocations;
- 4 (D) sanitary and storm sewers and lift stations;
- 5 (E) drainage conduits, channels, levees and river walk canal facilities;
- 6 (F) street grading, paving, graveling, macadamizing, curbing,  
7 guttering and surfacing;
- 8 (G) street light fixtures, connection and facilities;
- 9 (H) underground gas, water, heating and electrical services and  
10 connections located within the public right-of-way;
- 11 (I) sidewalks and pedestrian underpasses or overpasses;
- 12 (J) drives and driveway approaches located within the public right-of-  
13 way;
- 14 (K) water mains and extensions;
- 15 (L) plazas and arcades;
- 16 (M) major multi-sport athletic complex;
- 17 (N) museum facility;
- 18 (O) parking facilities including multilevel parking facilities;
- 19 (P) landscaping and plantings, fountains, shelters, benches,  
20 sculptures, lighting, decorations and similar amenities;
- 21 (Q) related expenses to redevelop and finance the redevelopment  
22 project;
- 23 (R) for purposes of an incubator project, such costs shall also include  
24 wet lab equipment including hoods, lab tables, heavy water equipment and  
25 all such other equipment found to be necessary or appropriate for a  
26 commercial incubator wet lab facility by the city in its resolution  
27 establishing such redevelopment district or a bioscience development  
28 district;
- 29 (S) costs for the acquisition of land for and the construction and  
30 installation of publicly-owned infrastructure improvements which serve an  
31 intermodal transportation area and are located outside of a redevelopment  
32 district; and
- 33 (T) costs for infrastructure located outside the redevelopment district  
34 but contiguous to any portion of the redevelopment district and such  
35 infrastructure is necessary for the implementation of the redevelopment  
36 plan as determined by the city.
- 37 (2) Redevelopment project costs shall not include: (A) Costs incurred  
38 in connection with the construction of buildings or other structures to be  
39 owned by or leased to a developer, however, the "redevelopment project  
40 costs" shall include costs incurred in connection with the construction of  
41 buildings or other structures to be owned or leased to a developer which  
42 includes an auto race track facility or a multilevel parking facility.
- 43 (B) In addition, for a redevelopment project financed with special

1 obligation bonds payable from the revenues described in K.S.A. 12-  
2 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall  
3 not include:

4 (i) Fees and commissions paid to developers, real estate agents,  
5 financial advisors or any other consultants who represent the developers or  
6 any other businesses considering locating in or located in a redevelopment  
7 district;

8 (ii) salaries for local government employees;

9 (iii) moving expenses for employees of the businesses locating within  
10 the redevelopment district;

11 (iv) property taxes for businesses that locate in the redevelopment  
12 district;

13 (v) lobbying costs;

14 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-  
15 1742, and amendments thereto;

16 (vii) any personal property, as defined in K.S.A. 79-102, and  
17 amendments thereto; and

18 (viii) travel, entertainment and hospitality.

19 (p) "Redevelopment district" means the specific area declared to be  
20 an eligible area in which the city may develop one or more redevelopment  
21 projects.

22 (q) "Redevelopment district plan" or "district plan" means the  
23 preliminary plan that identifies all of the proposed redevelopment project  
24 areas and identifies in a general manner all of the buildings, facilities and  
25 improvements in each that are proposed to be constructed or improved in  
26 each redevelopment project area or, if the redevelopment district is  
27 established for an intermodal transportation area, in or outside of the  
28 redevelopment district.

29 (r) "Redevelopment project" means the approved project to  
30 implement a project plan for the development of the established  
31 redevelopment district.

32 (s) "Redevelopment project plan" means the plan adopted by a  
33 municipality for the development of a redevelopment project or projects  
34 which conforms with K.S.A. 12-1772, and amendments thereto, in a  
35 redevelopment district.

36 (t) "Substantial change" means, as applicable, a change wherein the  
37 proposed plan or plans differ substantially from the intended purpose for  
38 which the district plan or project plan was approved.

39 (u) "Tax increment" means that amount of real property taxes  
40 collected from real property located within the redevelopment district that  
41 is in excess of the amount of real property taxes which is collected from  
42 the base year assessed valuation.

43 (v) "Taxing subdivision" means the county, city, unified school



1 district and any other taxing subdivision levying real property taxes, the  
2 territory or jurisdiction of which includes any currently existing or  
3 subsequently created redevelopment district including a bioscience  
4 development district.

5 (w) "River walk canal facilities" means a canal and related water  
6 features which flows through a redevelopment district and facilities related  
7 or contiguous thereto, including, but not limited to pedestrian walkways  
8 and promenades, landscaping and parking facilities.

9 (x) "Major commercial entertainment and tourism area" may include,  
10 but not be limited to, a major multi-sport athletic complex.

11 (y) "Major multi-sport athletic complex" means an athletic complex  
12 that is utilized for the training of athletes, the practice of athletic teams, the  
13 playing of athletic games or the hosting of events. Such project may  
14 include playing fields, parking lots and other developments including  
15 grandstands, suites and viewing areas, concessions, souvenir facilities,  
16 catering facilities, visitor centers, signage and temporary hospitality  
17 facilities, but excluding hotels, motels, restaurants and retail facilities, not  
18 directly related to or necessary to the operation of such facility.

19 (z) "Bioscience" means the use of compositions, methods and  
20 organisms in cellular and molecular research, development and  
21 manufacturing processes for such diverse areas as pharmaceuticals,  
22 medical therapeutics, medical diagnostics, medical devices, medical  
23 instruments, biochemistry, microbiology, veterinary medicine, plant  
24 biology, agriculture, industrial environmental and homeland security  
25 applications of bioscience and future developments in the biosciences.  
26 Bioscience includes biotechnology and life sciences.

27 (aa) "Bioscience development area" means an area that:

28 (1) Is or shall be owned, operated, or leased by, or otherwise under  
29 the control of the Kansas bioscience authority;

30 (2) is or shall be used and maintained by a bioscience company; or

31 (3) includes a bioscience facility.

32 (bb) "Bioscience development district" means the specific area,  
33 created under K.S.A. 12-1771, and amendments thereto, where one or  
34 more bioscience development projects may be undertaken.

35 (cc) "Bioscience development project" means an approved project to  
36 implement a project plan in a bioscience development district.

37 (dd) "Bioscience development project plan" means the plan adopted  
38 by the authority for a bioscience development project pursuant to K.S.A.  
39 12-1772, and amendments thereto, in a bioscience development district.

40 (ee) "Bioscience facility" means real property and all improvements  
41 thereof used to conduct bioscience research, including, without limitation,  
42 laboratory space, incubator space, office space and any and all facilities  
43 directly related and necessary to the operation of a bioscience facility.

- 1 (ff) "Bioscience project area" means an area designated by the  
2 authority within a bioscience development district.
- 3 (gg) "Biotechnology" means those fields focusing on technological  
4 developments in such areas as molecular biology, genetic engineering,  
5 genomics, proteomics, physiomics, nanotechnology, biodefense,  
6 biocomputing, bioinformatics and future developments associated with  
7 biotechnology.
- 8 (hh) "Board" means the board of directors of the Kansas bioscience  
9 authority.
- 10 (ii) "Life sciences" means the areas of medical sciences,  
11 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,  
12 ecology, toxicology, organic chemistry, physical chemistry, physiology and  
13 any future advances associated with life sciences.
- 14 (jj) "Revenue increase" means that amount of real property taxes  
15 collected from real property located within the bioscience development  
16 district that is in excess of the amount of real property taxes which is  
17 collected from the base year assessed valuation.
- 18 (kk) "Taxpayer" means a person, corporation, limited liability  
19 company, S corporation, partnership, registered limited liability  
20 partnership, foundation, association, nonprofit entity, sole proprietorship,  
21 business trust, group or other entity that is subject to the Kansas income  
22 tax act, K.S.A. 79-3201 et seq., and amendments thereto.
- 23 (ll) "Floodplain increment" means the increment determined pursuant  
24 to K.S.A. 2015 Supp. 12-1771e(b), and amendments thereto.
- 25 (mm) "100-year floodplain area" means an area of land existing in a  
26 100-year floodplain as determined by either an engineering study of a  
27 Kansas certified engineer or by the United States federal emergency  
28 management agency.
- 29 (nn) "Major motorsports complex" means a complex in Shawnee  
30 county that is utilized for the hosting of competitions involving motor  
31 vehicles, including, but not limited to, automobiles, motorcycles or other  
32 self-propelled vehicles other than a motorized bicycle or motorized  
33 wheelchair. Such project may include racetracks, all facilities directly  
34 related and necessary to the operation of a motorsports complex,  
35 including, but not limited to, parking lots, grandstands, suites and viewing  
36 areas, concessions, souvenir facilities, catering facilities, visitor and retail  
37 centers, signage and temporary hospitality facilities, but excluding hotels,  
38 motels, restaurants and retail facilities not directly related to or necessary  
39 to the operation of such facility.
- 40 (oo) "Intermodal transportation area" means an area of not less than  
41 800 acres to be developed primarily to handle the transfer, storage and  
42 distribution of freight through railway and trucking operations.
- 43 (pp) "Museum facility" means a separate newly-constructed museum

1 building and facilities directly related and necessary to the operation  
2 thereof, including gift shops and restaurant facilities, but excluding hotels,  
3 motels, restaurants and retail facilities not directly related to or necessary  
4 to the operation of such facility. The museum facility shall be owned by  
5 the state, a city, county, other political subdivision of the state or a non-  
6 profit corporation, shall be managed by the state, a city, county, other  
7 political subdivision of the state or a non-profit corporation and may not  
8 be leased to any developer and shall not be located within any retail or  
9 commercial building.

10 Sec. 57. K.S.A. 2015 Supp. 12-1775a is hereby amended to read as  
11 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of  
12 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has  
13 established a redevelopment district prior to July 1, 1996, shall certify to  
14 the director of accounts and reports the amount equal to the amount of  
15 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2015~~  
16 ~~Supp. 72-6470~~ *section 16*, and amendments thereto, within such  
17 redevelopment district. Prior to February 1, 1997, and annually on that  
18 date thereafter, the governing body of each such city shall certify to the  
19 director of accounts and reports an amount equal to the amount by which  
20 revenues realized from such ad valorem taxes imposed in such  
21 redevelopment district are estimated to be reduced for the ensuing calendar  
22 year due to legislative changes in the statewide school finance formula.  
23 Prior to March 1 of each year, the director of accounts and reports shall  
24 certify to the state treasurer each amount certified by the governing bodies  
25 of cities under this section for the ensuing calendar year and shall transfer  
26 from the state general fund to the city tax increment financing revenue  
27 fund the aggregate of all amounts so certified. Prior to April 15 of each  
28 year, the state treasurer shall pay from the city tax increment financing  
29 revenue fund to each city certifying an amount to the director of accounts  
30 and reports under this section for the ensuing calendar year the amount so  
31 certified.

32 (b) There is hereby created the tax increment financing revenue  
33 replacement fund which shall be administered by the state treasurer. All  
34 expenditures from the tax increment financing revenue replacement fund  
35 shall be made in accordance with appropriations acts upon warrants of the  
36 director of accounts and reports issued pursuant to vouchers approved by  
37 the state treasurer or a person or persons designated by the state treasurer.

38 Sec. 58. K.S.A. 2015 Supp. 12-1776a is hereby amended to read as  
39 follows: 12-1776a. (a) As used in this section:

40 (1) "School district" means any school district in which is located a  
41 redevelopment district for which bonds have been issued pursuant to  
42 K.S.A. 12-1770 et seq., and amendments thereto.

43 (2) "Base year assessed valuation," "redevelopment district" and

1 "redevelopment project" shall have the meanings ascribed thereto by  
2 K.S.A. 12-1770a, and amendments thereto.

3 (b) No later than November 1 of each year, the county clerk of each  
4 county shall certify to the state board of education the assessed valuation  
5 of any school district located within a redevelopment district in such  
6 county. For the purposes of this section and for determining the amount of  
7 state aid for school districts under *section 19 and* K.S.A. 75-2319, and  
8 amendments thereto, the base year assessed valuation of property within  
9 the boundaries of a redevelopment district shall be used when determining  
10 the assessed valuation of a school district until the bonds issued pursuant  
11 to K.S.A. 12-1770 et seq., and amendments thereto, to finance  
12 redevelopment projects in the redevelopment district have been retired.

13 Sec. 59. K.S.A. 2015 Supp. 72-978 is hereby amended to read as  
14 follows: 72-978. (a) Each year, the state board of education shall determine  
15 the amount of state aid for the provision of special education and related  
16 services each school district shall receive for the ensuing school year. The  
17 amount of such state aid shall be computed by the state board as provided  
18 in this section. The state board shall:

19 (1) Determine the total amount of general fund and local option  
20 budgets of all school districts;

21 (2) subtract from the amount determined in subsection (a)(1) the total  
22 amount attributable to assignment of transportation weighting, program  
23 weighting, special education weighting and at-risk pupil weighting, ~~as~~  
24 ~~those weightings were calculated under the school district finance and~~  
25 ~~quality performance act, prior to its repeal,~~ to enrollment of all school  
26 districts;

27 (3) divide the remainder obtained in subsection (a)(2) by the total  
28 number of full-time equivalent pupils enrolled in all school districts on  
29 September 20;

30 (4) determine the total full-time equivalent enrollment of exceptional  
31 children receiving special education and related services provided by all  
32 school districts;

33 (5) multiply the amount of the quotient obtained in subsection (a)(3)  
34 by the full-time equivalent enrollment determined in subsection (a)(4);

35 (6) determine the amount of federal funds received by all school  
36 districts for the provision of special education and related services;

37 (7) determine the amount of revenue received by all school districts  
38 rendered under contracts with the state institutions for the provisions of  
39 special education and related services by the state institution;

40 (8) add the amounts determined under subsections (a)(6) and (a)(7) to  
41 the amount of the product obtained under subsection (a)(5);

42 (9) determine the total amount of expenditures of all school districts  
43 for the provision of special education and related services;

1 (10) subtract the amount of the sum obtained under subsection (a)(8)  
2 from the amount determined under subsection (a)(9); and

3 (11) multiply the remainder obtained under subsection (a)(10) by  
4 92%.

5 The computed amount is the amount of state aid for the provision of  
6 special education and related services aid a school district is entitled to  
7 receive for the ensuing school year.

8 (b) Each school district shall be entitled to receive:

9 (1) Reimbursement for actual travel allowances paid to special  
10 teachers at not to exceed the rate specified under K.S.A. 75-3203, and  
11 amendments thereto, for each mile actually traveled during the school year  
12 in connection with duties in providing special education or related services  
13 for exceptional children; such reimbursement shall be computed by the  
14 state board by ascertaining the actual travel allowances paid to special  
15 teachers by the school district for the school year and shall be in an  
16 amount equal to 80% of such actual travel allowances;

17 (2) reimbursement in an amount equal to 80% of the actual travel  
18 expenses incurred for providing transportation for exceptional children to  
19 special education or related services. *Such reimbursement shall not be*  
20 *paid if such child has been counted in determining the transportation*  
21 *weighting of the school district under the provisions of the school district*  
22 *finance and quality performance act of 2016;*

23 (3) reimbursement in an amount equal to 80% of the actual expenses  
24 incurred for the maintenance of an exceptional child at some place other  
25 than the residence of such child for the purpose of providing special  
26 education or related services; such reimbursement shall not exceed \$600  
27 per exceptional child per school year; and

28 (4) (A) except for those school districts entitled to receive  
29 reimbursement under subsection (c) or (d), after subtracting the amounts of  
30 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total  
31 amount appropriated for special education and related services under this  
32 act, an amount which bears the same proportion to the remaining amount  
33 appropriated as the number of full-time equivalent special teachers who  
34 are qualified to provide special education or related services to exceptional  
35 children and are employed by the school district for approved special  
36 education or related services bears to the total number of such qualified  
37 full-time equivalent special teachers employed by all school districts for  
38 approved special education or related services.

39 (B) Each special teacher who is qualified to assist in the provision of  
40 special education or related services to exceptional children shall be  
41 counted as  $\frac{2}{5}$  full-time equivalent special teacher who is qualified to  
42 provide special education or related services to exceptional children.

43 (C) For purposes of this subsection (b)(4), a special teacher, qualified

1 to assist in the provision of special education and related services to  
2 exceptional children, who assists in providing special education and  
3 related services to exceptional children at either the state school for the  
4 blind or the state school for the deaf and whose services are paid for by a  
5 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments  
6 thereto, shall be considered a special teacher of such school district.

7 (c) Each school district which has paid amounts for the provision of  
8 special education and related services under an interlocal agreement shall  
9 be entitled to receive reimbursement under subsection (b)(4). The amount  
10 of such reimbursement for the district shall be the amount which bears the  
11 same relation to the aggregate amount available for reimbursement for the  
12 provision of special education and related services under the interlocal  
13 agreement, as the amount paid by such district in the current school year  
14 for provision of such special education and related services bears to the  
15 aggregate of all amounts paid by all school districts in the current school  
16 year who have entered into such interlocal agreement for provision of such  
17 special education and related services.

18 (d) Each contracting school district which has paid amounts for the  
19 provision of special education and related services as a member of a  
20 cooperative shall be entitled to receive reimbursement under subsection (b)  
21 (4). The amount of such reimbursement for the district shall be the amount  
22 which bears the same relation to the aggregate amount available for  
23 reimbursement for the provision of special education and related services  
24 by the cooperative, as the amount paid by such district in the current  
25 school year for provision of such special education and related services  
26 bears to the aggregate of all amounts paid by all contracting school  
27 districts in the current school year by such cooperative for provision of  
28 such special education and related services.

29 (e) No time spent by a special teacher in connection with duties  
30 performed under a contract entered into by the Kansas juvenile  
31 correctional complex, the Atchison juvenile correctional facility, the  
32 Larned juvenile correctional facility, or the Topeka juvenile correctional  
33 facility and a school district for the provision of special education services  
34 by such state institution shall be counted in making computations under  
35 this section.

36 ~~(f) There is hereby established in every school district a fund which~~  
37 ~~shall be called the special education fund, which fund shall consist of all~~  
38 ~~moneys deposited therein or transferred thereto according to law.~~  
39 ~~Notwithstanding any other provision of law, all moneys received by the~~  
40 ~~school district from whatever source for special education shall be credited~~  
41 ~~to the special education fund established by this section, except that: (1)~~  
42 ~~Amounts of payments received by a school district under K.S.A. 72-979,~~  
43 ~~and amendments thereto, and amounts of grants, if any, received by a~~

1 ~~school district under K.S.A. 72-983, and amendments thereto, shall be~~  
2 ~~deposited in the general fund of the district and transferred to the special~~  
3 ~~education fund; and (2) moneys received by a school district pursuant to~~  
4 ~~lawful agreements made under K.S.A. 72-968, and amendments thereto,~~  
5 ~~shall be credited to the special education fund established under the~~  
6 ~~agreements.~~

7 (g) ~~The expenses of a school district directly attributable to special~~  
8 ~~education shall be paid from the special education fund and from special~~  
9 ~~funds established under K.S.A. 72-968, and amendments thereto.~~

10 (h) ~~Obligations of a school district pursuant to lawful agreements~~  
11 ~~made under K.S.A. 72-968, and amendments thereto, shall be paid from~~  
12 ~~the special education fund established by this section.~~

13 Sec. 60. K.S.A. 2015 Supp. 72-1046b is hereby amended to read as  
14 follows: 72-1046b. (a) As used in this section:

15 (1) "School district" means a school district organized and operating  
16 under the laws of this state and no part of which is located in Johnson  
17 county, Sedgwick county, Shawnee county or Wyandotte county.

18 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and  
19 in attendance at a school located in a district in which such pupil is not a  
20 resident and who: (A) Lives 2½ or more miles from the attendance center  
21 the pupil would attend in the district in which the pupil resides and is not a  
22 resident of Johnson county, Sedgwick county, Shawnee county or  
23 Wyandotte county; or (B) is a member of the family of a pupil meeting the  
24 condition prescribed in ~~subpart~~ *subparagraph* (A).

25 (3) "Member of the family" means a brother or sister of the whole or  
26 half blood or by adoption, a stepbrother or stepsister, and a foster brother  
27 or foster sister.

28 (b) The board of education of any school district may allow any pupil  
29 who is not a resident of the district to enroll in and attend school in such  
30 district. The board of education of such district may furnish or provide  
31 transportation to any non-resident pupil who is enrolled in and attending  
32 school in the district pursuant to this section. If the district agrees to  
33 furnish or provide transportation to a non-resident pupil, such  
34 transportation shall be furnished or provided until the end of the school  
35 year. Prior to providing or furnishing transportation to a non-resident  
36 pupil, the district shall notify the board of education of the district in  
37 which the pupil resides that transportation will be furnished or provided.

38 (c) Pupils attending school in a school district in which the pupil does  
39 not reside pursuant to this section shall be counted as regularly enrolled in  
40 and attending school in the district where the pupil is enrolled for the  
41 purpose of computations ~~under the classroom learning assuring student~~  
42 ~~success act, K.S.A. 2015 Supp. 72-6463 et seq., and amendments thereto,~~  
43 *except computation of transportation weighting under the school district*

1 *finance and quality performance act of 2016*, and for the purposes of the  
2 statutory provisions contained in article 83 of chapter 72 of the Kansas  
3 Statutes Annotated, and amendments thereto. Such non-resident pupil shall  
4 not be charged for the costs of attendance at school.

5 ~~(d) Any pupil who was not a resident of the district in school year~~  
6 ~~2014-2015, but was allowed to enroll in and attend school in such district~~  
7 ~~in school year 2014-2015 by the board of education of such district and~~  
8 ~~any member of the family of such pupil regardless of whether such family~~  
9 ~~member enrolled in and attended school in such district in school year~~  
10 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~  
11 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~  
12 ~~pupil or family member of such pupil is a resident of the district in either~~  
13 ~~school year, provided such pupil or such pupil's family member is in~~  
14 ~~compliance with any attendance and behavior policies of the district. If~~  
15 ~~transportation was furnished or provided to such pupil in school year~~  
16 ~~2014-2015 by the district, then transportation shall be furnished or~~  
17 ~~provided by the district to such pupil and any family member of such pupil~~  
18 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~  
19 ~~such pupil's residence and no requirement for the district to furnish~~  
20 ~~transportation to any additional residence.~~

21 Sec. 61. K.S.A. 2015 Supp. 72-1398 is hereby amended to read as  
22 follows: 72-1398. (a) The national board for professional teaching  
23 standards certification incentive program is hereby established for the  
24 purpose of rewarding teachers who have attained certification from the  
25 national board. Teachers who have attained certification from the national  
26 board shall be issued a master teacher's license by the state board of  
27 education. A master teacher's license shall be valid for 10 years and  
28 renewable thereafter every 10 years through compliance with continuing  
29 education and professional development requirements prescribed by the  
30 state board. Teachers who have attained certification from the national  
31 board and who are employed by a school district shall be paid an incentive  
32 bonus in the amount of \$1,000 each school year that the teacher remains  
33 employed by a school district and retains a valid master teacher's license.

34 (b) The board of education of each school district employing one or  
35 more national board certified teachers shall pay the incentive bonus to  
36 each such teacher in each school year that the teacher retains eligibility for  
37 such payment. Each board of education which has made payments of  
38 incentive bonuses to national board certified teachers under this subsection  
39 may file an application with the state board of education for state aid and  
40 shall certify to the state board the amount of such payments. The  
41 application and certification shall be on a form prescribed and furnished by  
42 the state board, shall contain such information as the state board shall  
43 require and shall be filed at the time specified by the state board.



1 (c) In each school year, each school district employing one or more  
2 national board certified teachers is entitled to receive from appropriations  
3 for the national board for professional teaching standards certification  
4 incentive program an amount which is equal to the amount certified to the  
5 state board of education in accordance with the provisions of subsection  
6 (b). The state board shall certify to the director of accounts and reports the  
7 amount due each school district. The director of accounts and reports shall  
8 draw warrants on the state treasurer payable to the treasurer of each school  
9 district entitled to payment under this section upon vouchers approved by  
10 the state board.

11 (d) Moneys received by a board of education under this section shall  
12 be deposited in the general fund of the school district and shall be  
13 considered reimbursements to the district for the purpose of the ~~classroom~~  
14 ~~learning-assuring student success act, K.S.A. 2015 Supp. 72-6463- school~~  
15 *district finance and quality performance act of 2016, section 5 et seq.*, and  
16 amendments thereto, and may be expended whether the same have been  
17 budgeted or not.

18 (e) The state board of education is authorized to provide scholarships  
19 of \$1,100 each to teachers who are accepted to participate in the national  
20 board for professional teaching standards program for initial certification.  
21 The state board of education is authorized to provide scholarships of \$500  
22 each to teachers who are accepted to participate in the national board for  
23 professional teaching standards program for renewal of certification. Any  
24 teacher who has been accepted to participate in such program may file an  
25 application with the state board of education for a scholarship. The  
26 application shall be on a form prescribed and furnished by the state board,  
27 shall contain such information as the state board shall require and shall be  
28 filed at the time specified by the state board.

29 (f) As used in this section, the term "school district" means any  
30 school district organized and operating under the laws of this state.

31 Sec. 62. K.S.A. 2015 Supp. 72-1414 is hereby amended to read as  
32 follows: 72-1414. (a) On or before January 1, 2001, the state board of  
33 education shall adopt rules and regulations for the administration of  
34 mentor teacher programs and shall:

35 (1) Establish standards and criteria for evaluating and approving  
36 mentor teacher programs and applications of school districts for grants;

37 (2) evaluate and approve mentor teacher programs;

38 (3) establish criteria for determination of exemplary teaching ability  
39 of certificated teachers for qualification as mentor teachers;

40 (4) prescribe guidelines for the selection by boards of education of  
41 mentor teachers and for the provision by boards of education of training  
42 programs for mentor teachers;

43 (5) be responsible for awarding grants to school districts; and

1 (6) request of and receive from each school district which is awarded  
2 a grant for maintenance of a mentor teacher program reports containing  
3 information with regard to the effectiveness of the program.

4 (b) Subject to the availability of appropriations for mentor teacher  
5 programs maintained by school districts, and within the limits of any such  
6 appropriations, the state board of education shall determine the amount of  
7 grants to be awarded school districts by multiplying an amount not to  
8 exceed \$1,000 by the number of mentor teachers participating in the  
9 program maintained by a school district. The product is the amount of the  
10 grant to be awarded to the district. Upon receipt of a grant of state moneys  
11 for maintenance of a mentor teacher program, the amount of the grant shall  
12 be deposited in the general fund of the school district. Moneys deposited in  
13 the general fund of a school district under this subsection shall be  
14 considered reimbursements for the purpose of the ~~classroom learning~~  
15 ~~assuring student success act, K.S.A. 2015 Supp. 72-6463~~ *school district*  
16 *finance and quality performance act of 2016, section 5 et seq.*, and  
17 amendments thereto. The full amount of the grant shall be allocated among  
18 the mentor teachers employed by the school district so as to provide a  
19 mentor teacher with an annual stipend in an amount not to exceed \$1,000.  
20 Such annual stipend shall be over and above the regular salary to which  
21 the mentor teacher is entitled for the school year.

22 Sec. 63. K.S.A. 2015 Supp. 72-1923 is hereby amended to read as  
23 follows: 72-1923. (a) Except as provided in K.S.A. 2015 Supp. 72-1925,  
24 and amendments thereto, the board of education of any school district may  
25 apply to the state board for a grant of authority to operate such school  
26 district as a public innovative district. The application shall be submitted in  
27 the form and manner prescribed by the state board, and shall be submitted  
28 not later than December 1 of the school year preceding the school year in  
29 which the school district intends to operate as a public innovative district.

30 (b) The application shall include the following:

31 (1) A description of the educational programs of the public innovative  
32 district;

33 (2) a description of the interest and support for partnerships between  
34 the public innovative district, parents and the community;

35 (3) the specific goals and the measurable pupil outcomes to be  
36 obtained by operating as a public innovative district; and

37 (4) an explanation of how pupil performance in achieving the  
38 specified outcomes will be measured, evaluated and reported.

39 (c) (1) Within 90 days from the date such application is submitted, the  
40 state board shall review the application to determine compliance with this  
41 section, and shall approve or deny such application on or before the  
42 conclusion of such 90-day period. If the application is determined to be in  
43 compliance with this section, the state board shall approve such

1 application and grant the school district authority to operate as a public  
2 innovative district. Notification of such approval shall be sent to the board  
3 of education of such school district within 10 days after such decision.

4 (2) If the state board determines such application is not in compliance  
5 with either this section, or K.S.A. 2015 Supp. 72-1925, and amendments  
6 thereto, the state board shall deny such application. Notification of such  
7 denial shall be sent to the board of education of such school district within  
8 10 days after such decision and shall specify the reasons therefor. Within  
9 30 days from the date such notification is sent, the board of education of  
10 such school district may submit a request to the state board for  
11 reconsideration of the application and may submit an amended application  
12 with such request. The state board shall act on the request for  
13 reconsideration within 60 days of receipt of such request.

14 (d) A public innovative district shall:

15 (1) Not charge tuition for any of the pupils residing within the public  
16 innovative district;

17 (2) participate in all Kansas math and reading assessments applicable  
18 to such public innovative district, or an alternative assessment program for  
19 measuring student progress as determined by the board of education;

20 (3) abide by all financial and auditing requirements that are  
21 applicable to school districts, except that a public innovative district may  
22 use generally accepted accounting principles;

23 (4) comply with all applicable health, safety and access laws; and

24 (5) comply with all statements set forth in the application submitted  
25 pursuant to subsection (a).

26 (e) (1) Except as otherwise provided in K.S.A. 2015 Supp. 72-1921  
27 through 72-1930, and amendments thereto, or as required by the board of  
28 education of the public innovative district, a public innovative district shall  
29 be exempt from all laws and rules and regulations that are applicable to  
30 school districts.

31 (2) A public innovative district shall be subject to the special  
32 education for exceptional children act, the virtual school act, the ~~classroom~~  
33 ~~learning assuring student success act~~, K.S.A. 2015 Supp. 72-6463 *school*  
34 *district finance and quality performance act of 2016*, section 5 et seq., and  
35 amendments thereto, the provisions of K.S.A. 72-8801 et seq., and  
36 amendments thereto, all laws governing the issuance of general obligation  
37 bonds by school districts, the provisions of K.S.A. 74-4901 et seq., and  
38 amendments thereto, and all laws governing the election of members of  
39 the board of education, the open meetings act as provided in K.S.A. 75-  
40 4317 et seq., and amendments thereto, and the open records act as  
41 provided in K.S.A. 45-215 et seq., and amendments thereto.

42 Sec. 64. K.S.A. 2015 Supp. 72-3607 is hereby amended to read as  
43 follows: 72-3607. (a) There is hereby established in every school district

1 which has developed and is operating a parent education program for  
2 which grants are awarded under this act a fund which shall be called the  
3 parent education program fund, which fund shall consist of all moneys  
4 deposited therein or transferred thereto according to law. Notwithstanding  
5 any other provision of law, all moneys received by the school district from  
6 whatever source for a parent education program operated under this act  
7 shall be credited to the fund established by this section. Amounts deposited  
8 in the parent education program fund ~~may shall~~ be used *exclusively* for the  
9 payment of expenses directly attributable to the program ~~or may be~~  
10 ~~transferred to the general fund of the school district as approved by the~~  
11 ~~board of education.~~

12 (b) *Any unencumbered balance of moneys remaining in the parent*  
13 *education program fund of a school district on June 30 of the current*  
14 *school year, may be expended in the school year that immediately*  
15 *succeeds such date by the school district for general operating expenses of*  
16 *the school district as approved by the board of education.*

17 Sec. 65. K.S.A. 2015 Supp. 72-3711 is hereby amended to read as  
18 follows: 72-3711. K.S.A. 2015 Supp. 72-3711 through 72-3715 and  
19 section 51, and amendments thereto, shall be known and may be cited as  
20 the virtual school act.

21 Sec. 66. K.S.A. 2015 Supp. 72-3712 is hereby amended to read as  
22 follows: 72-3712. As used in the virtual school act:

23 (a) "Virtual school" means any school or educational program that:  
24 (1) Is offered for credit; (2) uses distance-learning technologies which  
25 predominately use internet-based methods to deliver instruction; (3)  
26 involves instruction that occurs asynchronously with the teacher and pupil  
27 in separate locations; (4) requires the pupil to make academic progress  
28 toward the next grade level and matriculation from kindergarten through  
29 high school graduation; (5) requires the pupil to demonstrate competence  
30 in subject matter for each class or subject in which the pupil is enrolled as  
31 part of the virtual school; and (6) requires age-appropriate pupils to  
32 complete state assessment tests.

33 (b) "School district" means any school district which offers a virtual  
34 school.

35 (c) Except as provided by the virtual school act, words and phrases  
36 shall have the meanings ascribed thereto in ~~K.S.A. 2015 Supp. 72-6464~~  
37 *section 6*, and amendments thereto.

38 Sec. 67. K.S.A. 2015 Supp. 72-3715 is hereby amended to read as  
39 follows: 72-3715. (a) In order to be included in the full-time equivalent  
40 enrollment of a virtual school, a pupil shall be in attendance at the virtual  
41 school on: (1) A single school day on or before September 19 of each  
42 school year; and (2) on a single school day on or after September 20, but  
43 before October 4 of each school year.

1 (b) A school district which offers a virtual school shall determine the  
2 full-time equivalent enrollment of each pupil enrolled in the virtual school  
3 on September 20 of each school year as follows:

4 (1) Determine the number of hours the pupil was in attendance on a  
5 single school day on or before September 19 of each school year;

6 (2) determine the number of hours the pupil was in attendance on a  
7 single school day on or after September 20, but before October 4 of each  
8 school year;

9 (3) add the numbers obtained under paragraphs (1) and (2);

10 (4) divide the sum obtained under paragraph (3) by 12. The quotient  
11 is the full-time equivalent enrollment of the pupil.

12 (c) The school days on which a district determines the full-time  
13 equivalent enrollment of a pupil under subsections (b)(1) and (2) shall be  
14 the school days on which the pupil has the highest number of hours of  
15 attendance at the virtual school. No more than six hours of attendance may  
16 be counted in a single school day. Attendance may be shown by a pupil's  
17 on-line activity or entries in the pupil's virtual school journal or log of  
18 activities.

19 (d) Subject to the availability of appropriations and within the limits  
20 of any such appropriations, each school year a school district which offers  
21 a virtual school shall receive virtual school state aid.

22 The state board of education shall determine the amount of virtual  
23 school state aid a school district is to receive as follows:

24 (1) ~~For school year 2015-2016:~~

25 ~~(A) Determine the number of pupils enrolled in virtual school on a~~  
26 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~  
27 ~~multiply the total number of such pupils by \$5,000;~~

28 ~~(B) determine the full-time equivalent enrollment of pupils enrolled~~  
29 ~~in virtual school on a part-time basis, excluding those pupils who are over~~  
30 ~~18 years of age, and multiply the total full-time equivalent enrollment of~~  
31 ~~such pupils by \$4,045;~~

32 ~~(C) for pupils enrolled in a virtual school who are over 18 years of~~  
33 ~~age, determine the number of one-hour credit courses such pupils have~~  
34 ~~passed and multiply the total number of such courses by \$933; and~~

35 ~~(D) add the amounts calculated under subsections (d)(1)(A) through~~  
36 ~~(d)(1)(C). The resulting sum is the amount of virtual school state aid the~~  
37 ~~school district shall receive.~~

38 ~~(2) For school year 2016-2017:~~

39 ~~(A) Determine the number of pupils enrolled in virtual school on a~~  
40 ~~full-time basis, excluding those pupils who are over 18 years of age, and~~  
41 ~~multiply the total number of such pupils by \$5,600;~~

42 ~~(B) determine the full-time equivalent enrollment of pupils enrolled~~  
43 ~~in virtual school on a part-time basis, excluding those pupils who are over~~

1 18 years of age, and multiply the total full-time equivalent enrollment of  
 2 such pupils by \$1,700;

3 ~~(C) for pupils enrolled in a virtual school who are over 18 years of~~  
 4 ~~age, determine the number of one-hour credit courses such pupils have~~  
 5 ~~passed and multiply the total number of such courses by \$933; and~~

6 ~~(D) add the amounts calculated under subsections (d)(2)(A) through~~  
 7 ~~(d)(2)(C). The resulting sum is the amount of virtual school state aid the~~  
 8 ~~school district shall receive.~~

9 (3) For purposes of this subsection:

10 (A) "Full-time" means attendance in a virtual school for no less than  
 11 six hours as determined pursuant to subsection (b).

12 (B) "Part-time" means attendance in a virtual school for less than six  
 13 hours as determined pursuant to subsection (b) *Multiply the full-time*  
 14 *equivalent enrollment of the virtual school by an amount equal to 105% of*  
 15 *the amount of base state aid per pupil;*

16 (2) *multiply the full-time equivalent enrollment of nonproficient at-*  
 17 *risk pupils enrolled in an approved at-risk program offered by the virtual*  
 18 *school, if any, by an amount equal to 25% of the amount of base state aid*  
 19 *per pupil;*

20 (3) *add any amount determined under section 51, and amendments*  
 21 *thereto; and*

22 (4) *add the amounts obtained under subparagraphs (1) through (3).*  
 23 *The sum is the amount of the virtual school state aid to which the school*  
 24 *district is entitled.*

25 (e) There is hereby established in every school district a fund which  
 26 shall be called the virtual school fund, which fund shall consist of all  
 27 moneys deposited therein or transferred thereto according to law. *Moneys*  
 28 *received as virtual school state aid shall be deposited in the general fund*  
 29 *of the school district and transferred to the virtual school fund of the*  
 30 *school district. The expenses of a school district directly attributable to*  
 31 *virtual schools offered by a school district may shall be paid from the*  
 32 *virtual school fund. The cost of an advance placement course provided to a*  
 33 *pupil by a virtual school shall be paid by the virtual school. Amounts*  
 34 *deposited in the virtual school fund may be transferred to the general fund*  
 35 *of the school district as approved by the board of education.*

36 Any balance remaining in the virtual school fund at the end of the  
 37 budget year shall be carried forward into the virtual school fund for  
 38 succeeding budget years. Such fund shall not be subject to the provisions  
 39 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

40 *Any unencumbered balance of moneys remaining in the virtual school*  
 41 *fund of a school district on June 30 of the current school year, may be*  
 42 *expended in the school year that immediately succeeds such date by the*  
 43 *school district for general operating expenses of the school district as*

1 *approved by the board of education.*

2 In preparing the budget of such school district, the amounts credited to  
3 and the amount on hand in the virtual school fund, and the amount  
4 expended therefrom shall be included in the annual budget for the  
5 information of the residents of the school district. Interest earned on the  
6 investment of moneys in any such fund shall be credited to that fund.

7 (f) For the purposes of this section, a pupil enrolled in a virtual school  
8 who is not a resident of the state of Kansas shall not be counted in the full-  
9 time equivalent enrollment of the virtual school. The virtual school shall  
10 record the permanent address of any pupil enrolled in such virtual school.

11 Sec. 68. K.S.A. 2015 Supp. 72-5333b is hereby amended to read as  
12 follows: 72-5333b. (a) The unified school district maintaining and  
13 operating a school on the Fort Leavenworth military reservation, being  
14 unified school district No. 207 of Leavenworth county, state of Kansas,  
15 shall have a governing body, which shall be known as the "Fort  
16 Leavenworth school district board of education" and which shall consist of  
17 three members who shall be appointed by, and serve at the pleasure of the  
18 commanding general of Fort Leavenworth. One member of the board shall  
19 be the president and one member shall be the vice-president. The  
20 commanding general, when making any appointment to the board, shall  
21 designate which of the offices the member so appointed shall hold. Except  
22 as otherwise expressly provided in this section, the district board and the  
23 officers thereof shall have and may exercise all the powers, duties,  
24 authority and jurisdiction imposed or conferred by law on unified school  
25 districts and boards of education thereof, except such school district shall  
26 not offer or operate any of grades 10 through 12.

27 (b) The board of education of the school district shall not have the  
28 power to issue bonds.

29 (c) Except as otherwise expressly provided in this subsection, the  
30 provisions of the ~~classroom learning assuring student success act, K.S.A.~~  
31 ~~2015 Supp. 72-6463 school district finance and quality performance act of~~  
32 *2016, section 5 et seq., and amendments thereto, apply to the school*  
33 *district. As applied to the school district, the terms "school financing*  
34 *sources" and "federal impact aid" shall not include any moneys received*  
35 *by the school district under subsection (3)(d)(2)(b) of public law 81-874.*  
36 *Any such moneys received by the school district shall be deposited in the*  
37 *general fund of the school district or, at the discretion of the board of*  
38 *education, in the capital outlay fund of the school district.*

39 Sec. 69. K.S.A. 2015 Supp. 72-64b01 is hereby amended to read as  
40 follows: 72-64b01. (a) No school district shall expend, use or transfer any  
41 moneys from the general fund of the district for the purpose of engaging in  
42 or supporting in any manner any litigation by the school district or any  
43 person, association, corporation or other entity against the state of Kansas,

1 the state board of education, the state department of education, other state  
2 agency or any state officer or employee regarding *the school district*  
3 *finance and quality performance act of 2016, or any other law concerning*  
4 school finance. No such moneys shall be paid, donated or otherwise  
5 provided to any person, association, corporation or other entity and used  
6 for the purpose of any such litigation.

7 (b) Nothing in *section 17, and amendments thereto, or this section*  
8 shall be construed as prohibiting the expenditure, use or transfer of  
9 moneys from ~~the proceeds of any tax levied by a school district pursuant to~~  
10 ~~K.S.A. 2015 Supp. 72-6472, and amendments thereto, the supplemental~~  
11 *general fund* for the purposes specified in subsection (a).

12 Sec. 70. K.S.A. 2015 Supp. 72-64c03 is hereby amended to read as  
13 follows: 72-64c03. The appropriation of moneys necessary to pay general  
14 state aid and supplemental general state aid under the ~~classroom learning~~  
15 ~~assuring student success act, K.S.A. 2015 Supp. 72-6463~~ *school district*  
16 *finance and quality performance act of 2016, section 5 et seq., and*  
17 *amendments thereto, and state aid for the provision of special education*  
18 *and related services under the special education for exceptional children*  
19 *act shall be given first priority in the legislative budgeting process and*  
20 *shall be paid first from existing state revenues.*

21 Sec. 71. K.S.A. 2015 Supp. 72-64c05 is hereby amended to read as  
22 follows: 72-64c05. Article 6 of the constitution of the state of Kansas  
23 states that the legislature shall provide for intellectual, educational,  
24 vocational and scientific improvement by establishing and maintaining  
25 public schools; provide for a state board of education having general  
26 supervision of public schools, educational institutions and the educational  
27 interests of the state, except those delegated by law to the state board of  
28 regents; and make suitable provision for finance of the educational  
29 interests of the state. It is the purpose and intention of the legislature to  
30 provide a financing system for the education of kindergarten and grades  
31 one through 12 which provides students with the capacities set forth in  
32 K.S.A. 2015 Supp. 72-1127, and amendments thereto. Such financing  
33 system shall be sufficiently flexible for the legislature to consider and  
34 utilize financing methods from all available resources in order to satisfy  
35 the constitutional requirements under article 6. Such financing methods  
36 shall include, but are not limited to, the following:

37 (a) Federal funding to unified school districts or public schools,  
38 including any grants or federal assistance;

39 (b) subject to appropriations by the legislature, appropriations of state  
40 moneys for the improvement of public education, including, but not  
41 limited to, the following:

42 (1) Financing to unified school districts through the ~~classroom-~~  
43 ~~learning assuring student success act, K.S.A. 2015 Supp. 72-6463~~ *school*



1 *district finance and quality performance act of 2016, section 5 et seq., and*  
2 *amendments thereto;*

3 (2) financing to unified school districts through any provisions which  
4 provide state aid, such as capital improvements state aid, capital outlay  
5 state aid and any other state aid paid, distributed or allocated to school  
6 districts on the basis of the assessed valuation of school districts;

7 (3) employer contributions to the Kansas public employees retirement  
8 system for public schools;

9 (4) appropriations to the Kansas children's cabinet for programs  
10 serving students enrolled in unified school districts in meeting the goal  
11 specified in K.S.A. 2015 Supp. 72-1127, and amendments thereto;

12 (5) appropriations to any programs which provide early learning to  
13 four-year-old children with the purpose of preparing them for success in  
14 public schools;

15 (6) appropriations to any programs, such as communities in schools,  
16 which provide individualized support to students enrolled in unified school  
17 districts in meeting the goal specified in K.S.A. 2015 Supp. 72-1127, and  
18 amendments thereto;

19 (7) transportation financing, including any transfers from the state  
20 general fund and state highway fund to the state department of education to  
21 provide technical education transportation, special education  
22 transportation or school bus safety;

23 (8) financing to other facilities providing public education to students,  
24 such as the Kansas state school for the blind, the Kansas state school for  
25 the deaf, school district juvenile detention facilities and the Flint Hills job  
26 corps center;

27 (9) appropriations relating to the Kansas academy of mathematics and  
28 science;

29 (10) appropriations relating to teaching excellence, such as  
30 scholarships, awards, training or in-service workshops;

31 (11) appropriations to the state board of regents to provide technical  
32 education incentives to unified school districts and tuition costs to  
33 postsecondary institutions which provide career technical education to  
34 secondary students; and

35 (12) appropriations to any postsecondary educational institution  
36 which provides postsecondary education to a secondary student without  
37 charging tuition to such student;

38 (c) any provision which authorizes the levying of local taxes for the  
39 purpose of financing public schools; and

40 (d) any transfer of funds or appropriations from one object or fund to  
41 another approved by the legislature for the purpose of financing public  
42 schools.

43 Sec. 72. K.S.A. 2015 Supp. 72-6622 is hereby amended to read as

1 follows: 72-6622. In the event that all of the property acquired by any two  
2 cities under the provisions of K.S.A. 3-404 et seq., and amendments  
3 thereto, is included within the territory of a unified school district in which  
4 only one of such cities is located:

5 (a) One-half of the assessed valuation of such property shall be  
6 assigned to each of the two school districts in which such cities are located  
7 for the purposes of determining the assessed valuation of each district for:  
8 (1) *Entitlement to payment of supplemental general state aid under section*  
9 *19, and amendments thereto; and (2) entitlement to payment from the*  
10 *school district capital improvements fund under K.S.A. 75-2319, and*  
11 *amendments thereto;*

12 (b) The revenue to be received by each district under subsection (c)  
13 shall be used as a receipt by such district in computing its ad valorem tax  
14 requirement for each tax levy fund; and

15 (c) Such property shall be subject to taxation for school purposes at a  
16 rate equal to the aggregate of all rates imposed for school purposes upon  
17 property located within the school district in which such property is  
18 located, but one-half of the proceeds derived from such levy shall be  
19 allocated to each of the two school districts in which such cities are  
20 located.

21 Sec. 73. K.S.A. 2015 Supp. 72-6624 is hereby amended to read as  
22 follows: 72-6624. (a) As used in this section:

23 (1) "School district" means unified school district No. 404, unified  
24 school district No. 493, unified school district No. 499 and unified school  
25 district No. 508.

26 (2) "Property" means any property, and improvements thereon,  
27 comprising a racetrack gaming facility or lottery gaming facility under the  
28 Kansas expanded lottery act located in Cherokee county.

29 (3) "State aid" means general state aid, *supplemental general state*  
30 *aid*, capital improvements state aid, capital outlay state aid and any other  
31 state aid paid, distributed or allocated to school districts under the  
32 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
33 ~~6463~~ *school district finance and quality performance act of 2016, section*  
34 *5 et seq., and amendments thereto, or other law, and any other state aid*  
35 *paid, distributed or allocated to school districts on the basis of the assessed*  
36 *valuation of school districts.*

37 (b) For the purposes of computing the assessed valuation of school  
38 districts for the payment, distribution or allocation of state aid and the  
39 levying of school taxes,  $\frac{1}{4}$  of the assessed valuation of such property shall  
40 be assigned to each of the school districts.

41 (c) The provisions of this section shall not apply if the property is not  
42 or ceases to be used as a racetrack gaming facility or lottery gaming  
43 facility under the Kansas expanded lottery act.

1 Sec. 74. K.S.A. 2015 Supp. 72-6625 is hereby amended to read as  
2 follows: 72-6625. (a) As used in this section:

3 (1) "School district" means unified school district No. 507 and  
4 unified school district No. 374.

5 (2) "Property" means the following described property, and  
6 improvements thereon, comprised of 1,120 acres, more or less, located in  
7 Haskell county: All of Section 34, Township 29 South, Range 33 West and  
8 the West  $\frac{1}{2}$  of Section 3, Township 30 South, Range 33 West and the  
9 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

10 (3) "State aid" means general state aid, *supplemental general state*  
11 *aid*, capital improvements state aid, capital outlay state aid and any other  
12 state aid paid, distributed or allocated to school districts under the  
13 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
14 ~~6463~~ *school district finance and quality performance act of 2016, section*  
15 *5 et seq.*, and amendments thereto, or other law, and any other state aid  
16 paid, distributed or allocated to school districts on the basis of the assessed  
17 valuation of school districts.

18 (b) For the purposes of computing the assessed valuation of school  
19 districts for the payment, distribution or allocation of state aid and the  
20 levying of school taxes,  $\frac{1}{2}$  of the assessed valuation of such property shall  
21 be assigned to each of the school districts.

22 (c) The provisions of this section shall not apply if the property is not  
23 or ceases to be used for the production of ethanol.

24 Sec. 75. K.S.A. 2015 Supp. 72-6757 is hereby amended to read as  
25 follows: 72-6757. (a) As used in this section:

26 (1) "Receiving school district" means a school district of  
27 nonresidence of a pupil who attends school in such school district.

28 (2) "Sending school district" means a school district of residence of a  
29 pupil who attends school in a school district not of the pupil's residence.

30 (b) The board of education of any school district may make and enter  
31 into contracts with the board of education of any receiving school district  
32 located in this state for the purpose of providing for the attendance of  
33 pupils at school in the receiving school district.

34 (c) The board of education of any school district may make and enter  
35 into contracts with the governing authority of any accredited school  
36 district located in another state for the purpose of providing for the  
37 attendance of pupils from this state at school in such other state or for the  
38 attendance of pupils from such other state at school in this state.

39 (d) Pupils attending school in a receiving school district in  
40 accordance with a contract authorized by this section and made and  
41 entered into by such receiving school district with a sending school district  
42 located in this state shall be counted as regularly enrolled in and attending  
43 school in the sending school district for the purpose of computations under

1 the classroom learning assuring student success act, K.S.A. 2015 Supp. 72-  
 2 ~~6463~~ school district finance and quality performance act of 2016, section  
 3 5 et seq., and amendments thereto.

4 (e) Any contract made and entered into under authority of this section  
 5 is subject to the following conditions:

6 (1) The contract shall be for the benefit of pupils who reside at  
 7 inconvenient or unreasonable distances from the schools maintained by the  
 8 sending school district or for pupils who, for any other reason deemed  
 9 sufficient by the board of education of the sending school district, should  
 10 attend school in a receiving school district;

11 (2) the contract shall make provision for the payment of tuition by the  
 12 sending school district to the receiving school district;

13 (3) if a sending school district is located in this state and the receiving  
 14 school district is located in another state, the amount of tuition provided to  
 15 be paid for the attendance of a pupil or pupils at school in the receiving  
 16 school district shall not exceed  $\frac{1}{2}$  of the amount of the budget per pupil of  
 17 the sending school district under the ~~classroom learning assuring student~~  
 18 ~~success act, K.S.A. 2015 Supp. 72-6463~~ school district finance and quality  
 19 performance act of 2016, section 5 et seq., and amendments thereto, for  
 20 the current school year; and

21 (4) the contract shall make provision for transportation of pupils to  
 22 and from the school attended on every school day.

23 (f) Amounts received pursuant to contracts made and entered into  
 24 under authority of this section by a school district located in this state for  
 25 enrollment and attendance of pupils at school in regular educational  
 26 programs shall be deposited in the general fund of the school district.

27 (g) The provisions of subsection (e)(3) do not apply to unified school  
 28 district No. 104, Jewell county.

29 (h) The provisions of this section do not apply to contracts made and  
 30 entered into under authority of the special education for exceptional  
 31 children act.

32 (i) The provisions of this section are deemed to be alternative to the  
 33 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure  
 34 or authorization under K.S.A. 72-8233, and amendments thereto, shall be  
 35 limited by the provisions of this section.

36 Sec. 76. K.S.A. 2015 Supp. 72-67,115 is hereby amended to read as  
 37 follows: 72-67,115. (a) The board of education of any school district may:

38 (1) Offer and teach courses and conduct preschool programs for  
 39 children under the age of eligibility to attend kindergarten.

40 (2) Enter into cooperative or interlocal agreements with one or more  
 41 other boards for the establishment, operation and maintenance of such  
 42 preschool programs.

43 (3) Contract with private, nonprofit corporations or associations or

1 with any public or private agency or institution, whether located within or  
2 outside the state, for the establishment, operation and maintenance of such  
3 preschool programs.

4 (4) Prescribe and collect fees for providing such preschool programs.

5 (b) Fees for providing preschool programs shall be prescribed and  
6 collected only to recover the costs incurred as a result of and directly  
7 attributable to the establishment, operation and maintenance of the  
8 preschool programs. Revenues from fees collected by a board under this  
9 section shall be deposited in the general fund of the school district and  
10 shall be considered reimbursements to the district for the purpose of the  
11 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
12 ~~6463 school district finance and quality performance act of 2016, section~~  
13 ~~5 et seq., and amendments thereto, and may be expended whether the same~~  
14 ~~have been budgeted or not and amounts so expended shall not be~~  
15 ~~considered operating expenses.~~

16 Sec. 77. K.S.A. 2015 Supp. 72-7535 is hereby amended to read as  
17 follows: 72-7535. (a) In order to equip students with the knowledge and  
18 skills needed to become self-supporting and to enable students to make  
19 critical decisions regarding personal finances, the state board of education  
20 shall authorize and assist in the implementation of programs on teaching  
21 personal financial literacy.

22 (b) The state board of education shall develop a curriculum, materials  
23 and guidelines that local boards of education and governing authorities of  
24 accredited nonpublic schools may use in implementing the program of  
25 instruction on personal financial literacy. The state board of education  
26 shall adopt a glossary of personal financial literacy terms which shall be  
27 used by school districts when implementing the program on personal  
28 financial literacy.

29 (c) The state board of education shall develop state curriculum  
30 standards for personal financial literacy, for all grade levels, within the  
31 existing mathematics curriculum or another appropriate subject-matter  
32 curriculum.

33 (d) The state board of education shall encourage school districts when  
34 selecting textbooks for mathematics, economics, family and consumer  
35 science, accounting or other appropriate courses, to select those textbooks  
36 which contain substantive provisions on personal finance, including  
37 personal budgeting, credit, debt management and other topics concerning  
38 personal financial literacy.

39 (e) The state board of education shall include questions relating to  
40 personal financial literacy in the statewide assessments for mathematics or  
41 social studies required under ~~K.S.A. 2015 Supp. 72-6479 section 48,~~  
42 ~~and amendments thereto. When the statewide assessments for mathematics or~~  
43 ~~social studies are reviewed or rewritten, the state board of education shall~~

1 examine the questions relating to personal financial literacy and rewrite  
2 such questions in order to determine if programs on personal financial  
3 literacy are equipping students with the knowledge and skills needed to  
4 become self-supporting and enabling students to make critical decisions  
5 regarding personal finances.

6 Sec. 78. K.S.A. 2015 Supp. 72-8187 is hereby amended to read as  
7 follows: 72-8187. (a) In each school year, to the extent that appropriations  
8 are available, each school district which has provided educational services  
9 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
10 psychiatric residential treatment facility or for pupils confined in a juvenile  
11 detention facility is eligible to receive a grant of state moneys in an  
12 amount to be determined by the state board of education.

13 (b) In order to be eligible for a grant of state moneys provided for by  
14 this section, each school district which has provided educational services  
15 for pupils residing at the Flint Hills job corps center, for pupils housed at a  
16 psychiatric residential treatment facility or for pupils confined in a juvenile  
17 detention facility shall submit to the state board of education an  
18 application for a grant and shall certify the amount expended, and not  
19 reimbursed or otherwise financed, in the school year for the services  
20 provided. The application and certification shall be prepared in such form  
21 and manner as the state board shall require and shall be submitted at a time  
22 to be determined and specified by the state board. Approval by the state  
23 board of applications for grants of state moneys is prerequisite to the  
24 award of grants.

25 (c) Each school district which is awarded a grant under this section  
26 shall make such periodic and special reports of statistical and financial  
27 information to the state board as it may request.

28 (d) All moneys received by a school district under authority of this  
29 section shall be deposited in the general fund of the school district and  
30 shall be considered reimbursement of the district for the purpose of the  
31 ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
32 ~~6463 school district finance and quality performance act of 2016, section~~  
33 ~~5 et seq., and amendments thereto.~~

34 (e) The state board of education shall approve applications of school  
35 districts for grants, determine the amount of grants and be responsible for  
36 payment of grants to school districts. In determining the amount of a grant  
37 which a school district is eligible to receive, the state board shall compute  
38 the amount of state financial aid the district would have received on the  
39 basis of enrollment of pupils residing at the Flint Hills job corps center,  
40 housed at a psychiatric residential treatment facility or confined in a  
41 juvenile detention facility if such pupils had been counted as two pupils  
42 under the school district finance and quality performance act and compare  
43 such computed amount to the amount certified by the district under

1 subsection (b). The amount of the grant the district is eligible to receive  
2 shall be an amount equal to the lesser of the amount computed under this  
3 subsection or the amount certified under subsection (b). If the amount of  
4 appropriations for the payment of grants under this section is insufficient  
5 to pay in full the amount each school district is determined to be eligible to  
6 receive for the school year, the state board shall prorate the amount  
7 appropriated among all school districts which are eligible to receive grants  
8 of state moneys in proportion to the amount each school district is  
9 determined to be eligible to receive.

10 (f) On or before July 1 of each year, the secretary for aging and  
11 disability services shall submit to the Kansas department of education a list  
12 of facilities which have been certified and licensed as psychiatric  
13 residential treatment facilities.

14 (g) As used in this section:

15 (1) "Enrollment" means the number of pupils who are: (A) Residing  
16 at the Flint Hills job corps center, confined in a juvenile detention facility  
17 or residing at a psychiatric residential treatment facility; and (B) for whom  
18 a school district is providing educational services on September 20, on  
19 November 20, or on April 20 of a school year, whichever is the greatest  
20 number of pupils;

21 (2) "juvenile detention facility" means any public or private facility  
22 which is used for the lawful custody of accused or adjudicated juvenile  
23 offenders and which shall not be a jail; and

24 (3) "psychiatric residential treatment facility" means a facility which  
25 provides psychiatric services to individuals under the age of 21 and which  
26 conforms with the regulations of the centers for medicare/medicaid  
27 services, is licensed and certified by the Kansas department for aging and  
28 disability services pursuant to subsection (f).

29 Sec. 79. K.S.A. 2015 Supp. 72-8190 is hereby amended to read as  
30 follows: 72-8190. (a) For the purpose of determination of *supplemental*  
31 *general state aid under section 19, and amendments thereto, and* payments  
32 from the school district capital improvements fund under K.S.A. 75-2319,  
33 and amendments thereto, notwithstanding any provision of either such  
34 statutory section to the contrary, the term assessed valuation per pupil, as  
35 applied to unified school district No. 203, Wyandotte county, shall not  
36 include within its meaning the assessed valuation of property which is  
37 owned by sunflower racing, inc. and operated as a racetrack facility known  
38 as the woodlands. The meaning of assessed valuation per pupil as provided  
39 in this subsection, for the purposes specified in this subsection, and as  
40 applied to the unified school district designated in this subsection, shall be  
41 in force and effect for the 1994-95 and 1995-96 school years.

42 (b) (1) In the event unified school district No. 203, Wyandotte county,  
43 receives in any school year the proceeds from any taxes which may be

1 paid upon the woodlands for the 1994-95 school year or the 1995-96  
2 school year or for both such school years, the state board of education  
3 shall deduct an amount equal to the amount of such tax proceeds from  
4 future payments of state aid to which the district is entitled.

5 (2) For the purposes of this subsection, the term "state aid" means  
6 *supplemental general state aid* and payments from the school district  
7 capital improvements fund.

8 Sec. 80. K.S.A. 2015 Supp. 72-8230 is hereby amended to read as  
9 follows: 72-8230. (a) In the event the boards of education of any two or  
10 more school districts enter into a school district interlocal cooperation  
11 agreement for the purpose of jointly and cooperatively performing any of  
12 the services, duties, functions, activities, obligations or responsibilities  
13 which are authorized or required by law to be performed by school  
14 districts of this state, the following conditions shall apply:

15 (1) A school district interlocal cooperation agreement shall establish a  
16 board of directors which shall be responsible for administering the joint or  
17 cooperative undertaking. The agreement shall specify the organization and  
18 composition of and manner of appointment to the board of directors. Only  
19 members of boards of education of school districts party to the agreement  
20 shall be eligible for membership on the board of directors. The terms of  
21 office of members of the board of directors shall expire concurrently with  
22 their terms as board of education members. Vacancies in the membership  
23 of the board of directors shall be filled within 30 days from the date of the  
24 vacancy in the manner specified in the agreement.

25 (2) A school district interlocal cooperation agreement may provide  
26 for the establishment and composition of an executive board. The  
27 members of the executive board, if established, shall be selected by the  
28 board of directors from its membership. The executive board shall exercise  
29 the powers, have the responsibilities, and perform the duties and functions  
30 of the board of directors to the extent authority to do so is delegated by the  
31 board of directors.

32 (3) A school district interlocal cooperation agreement shall be  
33 effective only after approval by the state board of education.

34 (4) A school district interlocal cooperation agreement shall be subject  
35 to change or termination by the legislature.

36 (5) The duration of a school district interlocal cooperation agreement  
37 for joint or cooperative action in performing any of the services, duties,  
38 functions, activities, obligations or responsibilities, other than the  
39 provision of special education services, which are authorized or required  
40 by law to be performed by school districts of this state, shall be for a term  
41 of at least three years but not exceeding five years.

42 (6) (A) The duration of a school district interlocal cooperation  
43 agreement for joint or cooperative action in providing special education



1 services shall be perpetual unless the agreement is partially or completely  
2 terminated in accordance with this provision. This provision applies to  
3 every school district interlocal cooperation agreement for the provision of  
4 special education services entered into under authority of this section after  
5 the effective date of this act and to every such agreement entered into  
6 under this section prior to the effective date of this act, and extant on the  
7 effective date of this act, regardless of any provisions in such an agreement  
8 to the contrary.

9 (B) Partial termination of a school district interlocal cooperation  
10 agreement for the provision of special education services made and  
11 entered into by the boards of three or more school districts may be  
12 accomplished only upon petition for withdrawal from the agreement by a  
13 contracting school district to the other contracting school districts and  
14 approval by the state board of written consent to the petition by such other  
15 school districts or upon order of the state board after appeal to it by a  
16 school district from denial of consent to a petition for withdrawal and  
17 hearing thereon conducted by the state board. The state board shall  
18 consider all the testimony and evidence brought forth at the hearing and  
19 issue an order approving or disapproving withdrawal by the school district  
20 from the agreement.

21 (C) Complete termination of a school district interlocal cooperation  
22 agreement for the provision of special education services made and  
23 entered into by the boards of two school districts may be accomplished  
24 upon approval by the state board of a joint petition made to the state board  
25 for termination of the agreement by both of the contracting school districts  
26 after adoption of a resolution to that effect by each of the contracting  
27 school districts or upon petition for withdrawal from the agreement made  
28 by a contracting school district to the other contracting school district and  
29 approval by the state board of written consent to the petition by such other  
30 school district or upon order of the state board after appeal to it by a school  
31 district from denial of consent to a petition for withdrawal and hearing  
32 thereon conducted by the state board. The state board shall consider all the  
33 testimony and evidence brought forth at the hearing and issue an order  
34 approving or disapproving withdrawal by the school district from the  
35 agreement.

36 (D) Complete termination of a school district interlocal cooperation  
37 agreement for the provision of special education services made and  
38 entered into by the boards of three or more school districts may be  
39 accomplished only upon approval by the state board of a joint petition  
40 made to the state board for termination of the agreement by not less than  
41  $\frac{2}{3}$  of the contracting school districts after adoption of a resolution to that  
42 effect by each of the contracting school districts seeking termination of the  
43 agreement. The state board shall consider the petition and approve or

1 disapprove termination of the agreement.

2 (E) The state board shall take such action in approving or  
3 disapproving the complete or partial termination of a school district  
4 interlocal cooperation agreement for the provision of special education  
5 services as the state board deems to be in the best interests of the involved  
6 school districts and of the state as a whole in the provision of special  
7 education services for exceptional children. Whenever the state board has  
8 disapproved the complete or partial termination of such an agreement, no  
9 further action with respect to such agreement shall be considered or taken  
10 by the state board for a period of not less than three years.

11 (7) A school district interlocal cooperation agreement shall specify  
12 the method or methods to be employed for disposing of property upon  
13 partial or complete termination.

14 (8) Within the limitations provided by law, a school district interlocal  
15 cooperation agreement may be changed or modified by affirmative vote of  
16 not less than  $\frac{2}{3}$  of the contracting school districts.

17 (b) Except as otherwise specifically provided in this subsection, any  
18 power or powers, privileges or authority exercised or capable of exercise  
19 by any school district of this state, or by any board of education thereof,  
20 may be jointly exercised pursuant to the provisions of a school district  
21 interlocal cooperation agreement. No power or powers, privileges or  
22 authority with respect to the levy and collection of taxes, the issuance of  
23 bonds, or the purposes and provisions of the ~~classroom learning assuring~~  
24 ~~student success act, K.S.A. 2015 Supp. 72-6463 school district finance~~  
25 ~~and quality performance act of 2016, section 5 et seq.~~, and amendments  
26 thereto, or title I of public law 874 shall be created or effectuated for joint  
27 exercise pursuant to the provisions of a school district interlocal  
28 cooperation agreement.

29 (c) Payments from the general fund of each school district which  
30 enters into any school district interlocal cooperation agreement for the  
31 purpose of financing the joint or cooperative undertaking provided for by  
32 the agreement shall be operating expenses.

33 (d) Upon partial termination of a school district interlocal cooperation  
34 agreement, the board of directors established under a renegotiated  
35 agreement thereof shall be the successor in every respect to the board of  
36 directors established under the former agreement.

37 (e) Nothing contained in this section shall be construed to abrogate,  
38 interfere with, impair, qualify or affect in any manner the exercise and  
39 enjoyment of all of the powers, privileges and authority conferred upon  
40 school districts and boards of education thereof by the provisions of the  
41 interlocal cooperation act, except that boards of education and school  
42 districts are required to comply with the provisions of this section when  
43 entering into an interlocal cooperation agreement that meets the definition

1 of school district interlocal cooperation agreement.

2 (f) As used in this section:

3 (1) "School district interlocal cooperation agreement" means an  
4 agreement which is entered into by the boards of education of two or more  
5 school districts pursuant to the provisions of the interlocal cooperation act.

6 (2) "State board" means the state board of education.

7 Sec. 81. K.S.A. 2015 Supp. 72-8233 is hereby amended to read as  
8 follows: 72-8233. (a) In accordance with the provisions of this section, the  
9 boards of education of any two or more unified school districts may make  
10 and enter into agreements providing for the attendance of pupils residing  
11 in one school district at school in kindergarten or any of the grades one  
12 through 12 maintained by any such other school district. The boards of  
13 education may also provide by agreement for the combination of  
14 enrollments for kindergarten or one or more grades, courses or units of  
15 instruction.

16 (b) Prior to entering into any agreement under authority of this  
17 section, the board of education shall adopt a resolution declaring that it has  
18 made a determination that such an agreement should be made and that the  
19 making and entering into of such an agreement would be in the best  
20 interests of the educational system of the school district. Any such  
21 agreement is subject to the following conditions:

22 (1) The agreement may be for any term not exceeding a term of five  
23 years.

24 (2) The agreement shall be subject to change or termination by the  
25 legislature.

26 (3) Within the limitations provided by law, the agreement may be  
27 changed or terminated by mutual agreement of the participating boards of  
28 education.

29 (4) The agreement shall make provision for transportation of pupils to  
30 and from the school attended on every school day, for payment or sharing  
31 of the costs and expenses of pupil attendance at school, and for the  
32 authority and responsibility of the participating boards of education.

33 (c) Provision by agreements entered into under authority of this  
34 section for the attendance of pupils at school in a school district of  
35 nonresidence of such pupils shall be deemed to be compliance with the  
36 kindergarten, grade, course and units of instruction requirements of law.

37 (d) The board of education of any school district which enters into an  
38 agreement under authority of this section for the attendance of pupils at  
39 school in another school district may discontinue kindergarten or any or all  
40 of the grades, courses and units of instruction specified in the agreement  
41 for attendance of pupils enrolled in kindergarten or any such grades,  
42 courses and units of instruction at school in such other school district.  
43 Upon discontinuing kindergarten or any grade, course or unit of instruction

1 under authority of this subsection, the board of education may close any  
2 school building or buildings operated or used for attendance by pupils  
3 enrolled in such discontinued kindergarten, grades, courses or units of  
4 instruction. The closing of any school building under authority of this  
5 subsection shall require a majority vote of the members of the board of  
6 education and shall require no other procedure or approval.

7 (e) Pupils attending school in a school district of nonresidence of  
8 such pupils in accordance with an agreement made and entered into under  
9 authority of this section shall be counted as regularly enrolled in and  
10 attending school in the school district of residence of such pupils for the  
11 purpose of computations under the ~~classroom learning assuring student~~  
12 ~~success act, K.S.A. 2015 Supp. 72-6463~~ *school district finance and quality*  
13 *performance act of 2016, section 5 et seq.*, and amendments thereto.

14 (f) Pupils who satisfactorily complete grade 12 while in attendance at  
15 school in a school district of nonresidence of such pupils in accordance  
16 with the provisions of an agreement entered into under authority of this  
17 section shall be certified as having graduated from the school district of  
18 residence of such pupils unless otherwise provided for by the agreement.

19 Sec. 82. K.S.A. 2015 Supp. 72-8236 is hereby amended to read as  
20 follows: 72-8236. (a) The board of education of any school district may:  
21 (1) Establish, operate and maintain a child care facility; (2) enter into  
22 cooperative or interlocal agreements with one or more other boards for the  
23 establishment, operation and maintenance of a child care facility; (3)  
24 contract with private, nonprofit corporations or associations or with any  
25 public or private agency or institution, whether located within or outside  
26 the state, for the establishment, operation and maintenance of a child care  
27 facility; and (4) prescribe and collect fees for providing care at a child care  
28 facility.

29 (b) Fees for providing care at a child care facility established under  
30 authority of this section shall be prescribed and collected only to recover  
31 the costs incurred as a result of and directly attributable to the  
32 establishment, operation and maintenance of the child care facility.  
33 Revenues from fees collected by a board under this section shall be  
34 deposited in the general fund of the school district and shall be considered  
35 reimbursements to the district for the purpose of the ~~classroom learning~~  
36 ~~assuring student success act, K.S.A. 2015 Supp. 72-6463~~ *school district*  
37 *finance and quality performance act of 2016, section 5 et seq.*, and  
38 amendments thereto, and may be expended whether the same have been  
39 budgeted or not and amounts so expended shall not be considered  
40 operating expenses.

41 (c) Every school district which establishes, operates and maintains a  
42 child care facility shall be subject to the provisions contained in article 5 of  
43 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

1 (d) As used in this section, the term "child" means any child who is  
2 three years of age or older, and any infant or toddler whose parent or  
3 parents are pupils or employees of a school district which establishes,  
4 operates and maintains, or cooperates in the establishment, operation and  
5 maintenance of, a child care facility under authority of this act.

6 Sec. 83. K.S.A. 2015 Supp. 72-8237 is hereby amended to read as  
7 follows: 72-8237. (a) The board of education of any school district may:  
8 (1) Establish, operate and maintain a summer program for pupils; (2) enter  
9 into cooperative or interlocal agreements with one or more other boards of  
10 education for the establishment, operation and maintenance of a summer  
11 program for pupils; and (3) prescribe and collect fees for providing a  
12 summer program for pupils or provide such program without charge.

13 (b) Fees for providing a summer program for pupils shall be  
14 prescribed and collected only to recover the costs incurred as a result of  
15 and directly attributable to the establishment, operation and maintenance  
16 of the program.

17 (c) No school district may collect fees for providing a summer  
18 program for pupils required to attend such a program in accordance with  
19 the provisions of law, rules and regulations of the state board of education,  
20 policy of the board of education, or an individualized education plan  
21 developed for an exceptional child.

22 (d) There is hereby established in every district which establishes,  
23 operates and maintains a summer program a fund which shall be called the  
24 summer program fund, which fund shall consist of all moneys deposited  
25 therein or transferred thereto according to law. All moneys received by a  
26 district from fees collected under this section or from any other source for  
27 summer programs shall be credited to the summer program fund. ~~Amounts~~  
28 ~~deposited in the summer program fund may be used for the payment of~~  
29 ~~expenses directly attributable to the program or may be transferred to the~~  
30 ~~general fund of the school district as approved by the board of education.~~  
31 *The expenses of the school district directly attributable to summer*  
32 *programs shall be paid from the summer program fund.*

33 *Any unencumbered balance of moneys remaining in the summer*  
34 *program fund of a school district on June 30 of the current school year,*  
35 *may be expended in the school year that immediately succeeds such date*  
36 *by the school district for general operating expenses of the school district*  
37 *as approved by the board of education.*

38 (e) As used in this section, the term "summer program" means a  
39 program which is established by the board of education of a school district  
40 and operated during the summer months for the purpose of giving remedial  
41 instruction to pupils or for the purpose of conducting special projects and  
42 activities designed to enrich and enhance the educational experience of  
43 pupils, or for both such purposes.

1 Sec. 84. K.S.A. 2015 Supp. 72-8249 is hereby amended to read as  
2 follows: 72-8249. (a) There is hereby established in every school district a  
3 special reserve fund. Moneys in such fund shall be used to:

4 (1) Pay claims, judgments, expenses and other purposes relating to  
5 health care services, disability income benefits and group life insurance  
6 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

7 (2) pay costs relating to uninsured losses; and

8 (3) pay the cost of workers compensation insurance and workers  
9 compensation claims, awards, expenses and other purposes authorized by  
10 the workers compensation act.

11 ~~Moneys in such fund may be transferred to the general fund of the~~  
12 ~~school district as approved by the board of education.~~

13 (b) Any balance remaining in the special reserve fund at the end of  
14 the budget year shall be carried forward into that reserve fund for  
15 succeeding budget years. Such fund shall not be subject to the provisions  
16 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing  
17 the budget of such school district, the amounts credited to and the amount  
18 on hand in the special reserve fund, and the amount expended therefrom  
19 shall be included in the annual budget for the information of the residents  
20 of the school district. Interest earned on the investment of moneys in any  
21 such fund shall be credited to that fund.

22 Sec. 85. K.S.A. 2015 Supp. 72-8250 is hereby amended to read as  
23 follows: 72-8250. (a) There is hereby established in every school district a  
24 textbook and student materials revolving fund. Moneys in such fund shall  
25 be used to:

26 (1) Purchase any items designated in K.S.A. 72-5389, and  
27 amendments thereto;

28 (2) pay the cost of materials or other items used in curricular,  
29 extracurricular or other school-related activities; and

30 (3) purchase textbooks as authorized by K.S.A. 72-4141, and  
31 amendments thereto.

32 ~~Moneys in such fund may be transferred to the general fund of the~~  
33 ~~school district as approved by the board of education.~~

34 (b) Any balance remaining in the textbook and student materials  
35 revolving fund at the end of the budget year shall be carried forward into  
36 that fund for succeeding budget years. Such fund shall not be subject to the  
37 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
38 In preparing the budget of such school district, the amounts credited to and  
39 the amount on hand in the textbook and student materials revolving fund,  
40 and the amount expended therefrom shall be included in the annual budget  
41 for the information of the residents of the school district. Interest earned on  
42 the investment of moneys in any such fund shall be credited to that fund.

43 *Any balance of moneys remaining in the textbook and student materials*

1 *revolving fund of a school district on June 30 of the current school year;*  
2 *may be expended in the school year that immediately succeeds such date*  
3 *by the school district for general operating expenses of the school district*  
4 *as approved by the board of education in an amount not to exceed  $\frac{1}{3}$  of*  
5 *the unencumbered balance of the school district's textbook and student*  
6 *materials revolving fund.*

7 Sec. 86. K.S.A. 2015 Supp. 72-8251 is hereby amended to read as  
8 follows: 72-8251. Whenever a school district is required by law to make  
9 any payment during the month of June and there is insufficient revenue to  
10 make such payment as a result of the payment of state aid after the date  
11 prescribed by the state board of education pursuant to ~~K.S.A. 2015 Supp.~~  
12 ~~72-6466 section 9~~, and amendments thereto, the school district shall make  
13 such payment as soon as moneys are available.

14 Sec. 87. K.S.A. 2015 Supp. 72-8302 is hereby amended to read as  
15 follows: 72-8302. (a) The board of education of a school district may  
16 provide or furnish transportation for pupils who are enrolled in the school  
17 district to or from any school of the school district or to or from any school  
18 of another school district attended by such pupils in accordance with the  
19 provisions of an agreement entered into under authority of K.S.A. 72-  
20 8233, and amendments thereto.

21 (b) (1) When any or all of the conditions specified in this provision  
22 exist, the board of education of a school district shall provide or furnish  
23 transportation for pupils who reside in the school district and who attend  
24 any school of the school district or who attend any school of another  
25 school district in accordance with the provisions of an agreement entered  
26 into under authority of K.S.A. 72-8233, and amendments thereto. The  
27 conditions which apply to the requirements of this provision are as  
28 follows:

29 (A) The residence of the pupil is inside or outside the corporate limits  
30 of a city, the school building attended is outside the corporate limits of a  
31 city and the school building attended is more than  $2\frac{1}{2}$  miles by the usually  
32 traveled road from the residence of the pupil; or

33 (B) the residence of the pupil is outside the corporate limits of a city,  
34 the school building attended is inside the corporate limits of a city and the  
35 school building attended is more than  $2\frac{1}{2}$  miles by the usually traveled  
36 road from the residence of the pupil; or

37 (C) the residence of the pupil is inside the corporate limits of one city,  
38 the school building attended is inside the corporate limits of a different city  
39 and the school building attended is more than  $2\frac{1}{2}$  miles by the usually  
40 traveled road from the residence of the pupil.

41 (2) The provisions of this subsection are subject to the provisions of  
42 subsections (c) and (d).

43 (c) The board of education of every school district is authorized to

1 adopt rules and regulations to govern the conduct, control and discipline of  
2 all pupils while being transported in school buses. The board may suspend  
3 or revoke the transportation privilege or entitlement of any pupil who  
4 violates any rules and regulations adopted by the board under authority of  
5 this subsection.

6 (d) The board of education of every school district may suspend or  
7 revoke the transportation privilege or entitlement of any pupil who is  
8 detained at school at the conclusion of the school day for violation of any  
9 rules and regulations governing pupil conduct or for disobedience of an  
10 order of a teacher or other school authority. Suspension or revocation of  
11 the transportation privilege or entitlement of any pupil specified in this  
12 subsection shall be limited to the school day or days on which the pupil is  
13 detained at school. The provisions of this subsection do not apply to any  
14 pupil who has been determined to be an exceptional child, except gifted  
15 children, under the provisions of the special education for exceptional  
16 children act.

17 (e) (1) Subject to the limitations specified in this subsection, the  
18 board of education of any school district may prescribe and collect fees to  
19 offset, totally or in part, the costs incurred for the provision or furnishing  
20 of transportation for pupils. The limitations which apply to the  
21 authorization granted by this subsection are as follows:

22 (A) Fees for the provision or furnishing of transportation for pupils  
23 shall be prescribed and collected only to recover the costs incurred as a  
24 result of and directly attributable to the provision or furnishing of  
25 transportation for pupils and only to the extent that such costs are not  
26 reimbursed from any other source provided by law;

27 (B) fees for the provision or furnishing of transportation may not be  
28 assessed against or collected from any pupil *who is counted in determining*  
29 *the transportation weighting of the school district under the provisions of*  
30 *the school district finance and quality performance act of 2016, or any*  
31 *pupil* who is determined to be a child with disabilities under the provisions  
32 of the special education for exceptional children act or any pupil who is  
33 eligible for free or reduced price meals under the national school lunch act  
34 or any pupil who is entitled to transportation under the provisions of  
35 K.S.A. 72-8306(a), and amendments thereto, and who resides 2½ miles or  
36 more by the regular route of a school bus from the school attended;

37 (C) fees for the provision or furnishing of transportation for pupils in  
38 accordance with the provisions of an agreement entered into under  
39 authority of K.S.A. 72-8233 or 72-8307, and amendments thereto, shall be  
40 controlled by the provisions of the agreement.

41 (2) All moneys received by a school district from fees collected under  
42 this subsection shall be deposited in the general fund of the district.

43 Sec. 88. K.S.A. 2015 Supp. 72-8309 is hereby amended to read as



1 follows: 72-8309. (a) The board of education of a school district shall not  
2 furnish or provide transportation for pupils or students who reside in  
3 another school district except in accordance with the written consent of the  
4 board of education of the school district in which such pupil or student  
5 resides, or in accordance with an order issued by a board of education  
6 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in  
7 accordance with the provisions of an agreement entered into under  
8 authority of K.S.A. 72-8233, and amendments thereto.

9 (b) A school district may transport a nonresident pupil or student if  
10 such pupil or student boards the school bus within the boundaries or on the  
11 boundary of the transporting school district. To the extent that the  
12 provisions of this subsection conflict with the provisions of subsection (a),  
13 the provisions of subsection (a) shall control.

14 (c) *No pupil who is furnished or provided transportation by a school*  
15 *district which is not the school district in which the pupil resides shall be*  
16 *counted in the computation of the school district's transportation*  
17 *weighting under the school district finance and quality performance act of*  
18 *2016.*

19 Sec. 89. K.S.A. 2015 Supp. 72-8316 is hereby amended to read as  
20 follows: 72-8316. (a) Any board of education, pursuant to a policy  
21 developed and adopted by it, may provide for the use of district-owned or  
22 leased school buses when such buses are not being used for regularly  
23 required school purposes. The policy may provide for:

24 (1) (A) Transporting parents and other adults to or from school-  
25 related functions or activities; (B) transporting pupils to or from functions  
26 or activities sponsored by organizations, the membership of which is  
27 principally composed of children of school age; and (C) transporting  
28 persons engaged in field trips in connection with their participation in an  
29 adult education program maintained by the transporting school district or  
30 by any other school district, within or outside the boundaries of the  
31 transporting school district; and

32 (2) contracting with: (A) The governing body of any township, city or  
33 county for transportation of individuals, groups or organizations; (B) the  
34 governing authority of any nonpublic school for transportation of pupils  
35 attending such nonpublic school to or from interschool or intraschool  
36 functions or activities; (C) the board of trustees of any community college  
37 for transportation of students enrolled in such community college to or  
38 from attendance at class at the community college or to and from functions  
39 or activities of the community college; (D) a public recreation commission  
40 established and operated under the laws of this state, for any purposes  
41 related to the operation of the recreation commission and all programs and  
42 services thereof; (E) the board of education of any other school district for  
43 transportation, on a cooperative and shared-cost basis, of pupils, school

1 personnel, parents and other adults to or from school-related functions or  
 2 activities; or (F) a four-year college or university, area vocational school or  
 3 area vocational-technical school for transportation of students to or from  
 4 attendance at class at the four-year college or university, area vocational  
 5 school or area vocational-technical school or for transportation of students,  
 6 alumni and other members of the public to or from functions or activities  
 7 of the four-year college or university, area vocational school or area  
 8 vocational-technical school.

9 *(b) The costs related to the use of school buses under the authority of*  
 10 *this section shall not be considered in determining the transportation*  
 11 *weighting of a school district under the school district finance and quality*  
 12 *performance act of 2016.*

13 ~~(b)~~ (c) Transportation fees may be charged by the board to offset,  
 14 totally or in part, the costs incurred for the use of school buses under  
 15 authority of this section.

16 ~~(e)~~ (d) Any revenues received by a board of education as  
 17 transportation fees or under any contract entered into pursuant to this  
 18 section shall be deposited in the general fund of the school district and  
 19 shall be considered reimbursements to the school district for the purpose of  
 20 the ~~classroom learning assuring student success act, K.S.A. 2015 Supp. 72-~~  
 21 ~~6463~~ *school district finance and quality performance act of 2016, section*  
 22 *5 et seq., and amendments thereto. Such revenues may be expended*  
 23 *whether the same have been budgeted or not.*

24 ~~(d)~~ (e) The provisions of K.S.A. 8-1556(c), and amendments thereto,  
 25 apply to the use of school buses under authority of this section.

26 Sec. 90. K.S.A. 2015 Supp. 72-8415b is hereby amended to read as  
 27 follows: 72-8415b. (a) Any school district that elects to become a self-  
 28 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,  
 29 may transfer moneys from its general fund to the special reserve fund of  
 30 the district as provided by ~~K.S.A. 2015 Supp. 72-6478~~ *section 44*, and  
 31 amendments thereto.

32 (b) Any community college that elects to become a self-insurer under  
 33 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer  
 34 such amounts from its general fund to the health care services reserve fund  
 35 or the disability income benefits reserve fund, or the group life benefit  
 36 reserve fund, or all three, as may be deemed necessary to meet the cost of  
 37 health care services or disability income benefits, or group life insurance  
 38 claims, whichever is applicable.

39 Sec. 91. K.S.A. 2015 Supp. 72-8804 is hereby amended to read as  
 40 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school  
 41 district and any moneys received from issuance of bonds under K.S.A. 72-  
 42 8805 or 72-8810, and amendments thereto, may be used for the purpose of  
 43 the acquisition, construction, reconstruction, repair, remodeling, additions

1 to, furnishing, maintaining and equipping of school district property and  
2 equipment necessary for school district purposes, including: (1)  
3 Acquisition of computer software; (2) acquisition of performance  
4 uniforms; (3) housing and boarding pupils enrolled in an area vocational  
5 school operated under the board of education; (4) architectural expenses;  
6 (5) acquisition of building sites; (6) undertaking and maintenance of  
7 asbestos control projects; (7) acquisition of school buses; and (8)  
8 acquisition of other fixed assets, ~~and, for school years 2015-2016 and~~  
9 ~~2016-2017, subject to the provisions of K.S.A. 2015 Supp. 72-6478, and~~  
10 ~~amendments thereto, may be transferred to the general fund of the school~~  
11 ~~district as approved by the board of education.~~

12 (b) The board of education of any school district is hereby authorized  
13 to invest any portion of the capital outlay fund of the school district which  
14 is not currently needed in investments authorized by K.S.A. 12-1675, and  
15 amendments thereto, in the manner prescribed therein, or may invest the  
16 same in direct obligations of the United States government maturing or  
17 redeemable at par and accrued interest within three years from date of  
18 purchase, the principal and interest whereof is guaranteed by the  
19 government of the United States. All interest received on any such  
20 investment shall upon receipt thereof be credited to the capital outlay fund.

21 Sec. 92. K.S.A. 2015 Supp. 72-8908 is hereby amended to read as  
22 follows: 72-8908. As used in this act:

23 (a) "Juvenile" means a person who is less than 18 years of age;

24 (b) "adult" means a person who is 18 years of age or older;

25 (c) "felony" means any crime designated a felony by the laws of  
26 Kansas or the United States;

27 (d) "misdemeanor" means any crime designated a misdemeanor by  
28 the laws of Kansas or the United States;

29 (e) "school day" means any day on which school is maintained;

30 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2015-~~  
31 ~~Supp. 72-6464 section 6, and amendments thereto;~~

32 (g) "counsel" means any person a pupil selects to represent and  
33 advise the pupil at all proceedings conducted pursuant to the provisions of  
34 this act; and

35 (h) "principal witness" means any witness whose testimony is of  
36 major importance in support of the charges upon which a proposed  
37 suspension or expulsion from school is based, or in determination of  
38 material questions of fact.

39 Sec. 93. K.S.A. 2015 Supp. 72-9509 is hereby amended to read as  
40 follows: 72-9509. (a) There is hereby established in every school district a  
41 fund which shall be called the bilingual education fund, which fund shall  
42 consist of all moneys deposited therein or transferred thereto according to  
43 law. ~~Amounts deposited in the bilingual education fund may be used for~~

1 ~~the payment of expenses directly attributable to bilingual education or may~~  
2 ~~be transferred to the general fund of the school district as approved by the~~  
3 ~~board of education~~ *The expenses of a school district directly attributable*  
4 *to such bilingual education programs shall be paid from the bilingual*  
5 *education fund.*

6 (b) Any balance remaining in the bilingual education fund at the end  
7 of the budget year shall be carried forward into the bilingual education  
8 fund for succeeding budget years. Such fund shall not be subject to the  
9 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.  
10 In preparing the budget of such school district, the amounts credited to and  
11 the amount on hand in the bilingual education fund, and the amount  
12 expended therefrom shall be included in the annual budget for the  
13 information of the residents of the school district. Interest earned on the  
14 investment of moneys in any such fund shall be credited to that fund.

15 *Any unencumbered balance of moneys remaining in the bilingual*  
16 *education fund of a school district on June 30 of the current school year;*  
17 *may be expended in the school year that immediately succeeds such date*  
18 *by the school district for general operating expenses of the school district*  
19 *as approved by the board of education.*

20 (c) Each year the board of education of each school district shall  
21 prepare and submit to the state board a report on the bilingual education  
22 program and assistance provided by the district. Such report shall include  
23 information specifying the number of pupils who were served or provided  
24 assistance, the type of service provided, the research upon which the  
25 district relied in determining that a need for service or assistance existed,  
26 the results of providing such service or assistance and any other  
27 information required by the state board.

28 Sec. 94. K.S.A. 2015 Supp. 72-9609 is hereby amended to read as  
29 follows: 72-9609. There is hereby established in every school district a  
30 fund which shall be called the professional development fund, which fund  
31 shall consist of all moneys deposited therein or transferred thereto  
32 according to law. All moneys received by the school district from whatever  
33 source for professional development programs established under this act  
34 shall be credited to the fund established by this section. ~~Amounts deposited~~  
35 ~~in the professional development fund may be used for the payment of~~  
36 ~~expenses directly attributable to professional development or may be~~  
37 ~~transferred to the general fund of the school district as approved by the~~  
38 ~~board of education~~ *The expenses of a school district directly attributable*  
39 *to professional development programs shall be paid from the professional*  
40 *development fund.*

41 *Any unencumbered balance of moneys remaining in the professional*  
42 *development fund of a school district on June 30 of the current school*  
43 *year; may be expended in the school year that immediately succeeds such*

1 *date by the school district for general operating expenses of the school*  
2 *district as approved by the board of education.*

3 Sec. 95. K.S.A. 2015 Supp. 72-99a02 is hereby amended to read as  
4 follows: 72-99a02. As used in the tax credit for low income students  
5 scholarship program act:

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

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

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

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

16 (1) (A) Qualifies as an at-risk pupil as defined in ~~K.S.A. 72-6407,~~  
17 ~~prior to its repeal~~ *section 6, and amendments thereto*, and who is attending  
18 a public school; or (B) has been eligible to receive an educational  
19 scholarship under this program and has not graduated from high school or  
20 reached 21 years of age;

21 (2) resides in Kansas while eligible for an educational scholarship;  
22 and

23 (3) (A) was enrolled in any public school in the previous school year  
24 in which an educational scholarship is first sought for the child; or (B) is  
25 eligible to be enrolled in any public school in the school year in which an  
26 educational scholarship is first sought for the child and the child is under  
27 the age of six years.

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

30 (f) "Program" means the tax credit for low income students  
31 scholarship program established in K.S.A. 2015 Supp. 72-99a01 through  
32 72-99a07, and amendments thereto.

33 (g) "Public school" means a school that would qualify as either a title  
34 I focus school or a title I priority school as described by the state board  
35 under the elementary and secondary education act flexibility waiver as  
36 amended in January 2013 and is operated by a school district.

37 (h) "Qualified school" means any nonpublic school that provides  
38 education to elementary or secondary students, has notified the state board  
39 of its intention to participate in the program and complies with the  
40 requirements of the program.

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

1 have enrolled eligible students.

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

4 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~  
5 ~~2015 Supp. 72-6464~~ section 6, and amendments thereto.

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

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

8 Sec. 96. K.S.A. 2015 Supp. 74-4939a is hereby amended to read as  
9 follows: 74-4939a. On and after the effective date of this act for each fiscal  
10 year commencing with fiscal year 2005, notwithstanding the provisions of  
11 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys  
12 appropriated for the department of education from the state general fund  
13 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,  
14 by appropriation act of the legislature, in the KPERS — employer  
15 contributions account and all moneys appropriated for the department of  
16 education from the state general fund or any special revenue fund for each  
17 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year  
18 thereafter, by any such appropriation act in that account or any other  
19 account for payment of employer contributions for school districts, shall  
20 be distributed by the department of education to school districts in  
21 accordance with this section. Notwithstanding the provisions of K.S.A. 74-  
22 4939, and amendments thereto, the department of education shall disburse  
23 to each school district that is an eligible employer as specified in K.S.A.  
24 74-4931(1), and amendments thereto, an amount ~~in accordance with~~  
25 ~~K.S.A. 2015 Supp. 72-6465(a)(6), and amendments thereto, which shall be~~  
26 ~~disbursed pursuant to K.S.A. 2015 Supp. 72-6465, and amendments~~  
27 ~~thereto certified by the board of trustees of the Kansas public employees~~  
28 *retirement system which is equal to the participating employer's obligation*  
29 *of such school district to the system in accordance with policies and*  
30 *procedures which are hereby authorized and directed to be adopted by the*  
31 *department of education for the purposes of this section and in accordance*  
32 *with any requirements prescribed by the board of trustees of the Kansas*  
33 *public employees retirement system.* Upon receipt of each such  
34 disbursement of moneys, the school district shall deposit the entire amount  
35 thereof into a special retirement contributions fund of the school district,  
36 which shall be established by the school district in accordance with such  
37 policies and procedures and which shall be used for the sole purpose of  
38 receiving such disbursements from the department of education and  
39 making the remittances to the system in accordance with this section and  
40 such policies and procedures. Upon receipt of each such disbursement of  
41 moneys from the department of education, the school district shall remit,  
42 in accordance with the provisions of such policies and procedures and in  
43 the manner and on the date or dates prescribed by the board of trustees of

1 the Kansas public employees retirement system, an equal amount to the  
2 Kansas public employees retirement system from the special retirement  
3 contributions fund of the school district to satisfy such school district's  
4 obligation as a participating employer. Notwithstanding the provisions of  
5 K.S.A. 74-4939, and amendments thereto, each school district that is an  
6 eligible employer as specified in K.S.A. 74-4931(1), and amendments  
7 thereto, shall show within the budget of such school district all amounts  
8 received from disbursements into the special retirement contributions fund  
9 of such school district. Notwithstanding the provisions of any other statute,  
10 no official action of the school board of such school district shall be  
11 required to approve a remittance to the system in accordance with this  
12 section and such policies and procedures. All remittances of moneys to the  
13 system by a school district in accordance with this subsection and such  
14 policies and procedures shall be deemed to be expenditures of the school  
15 district.

16 Sec. 97. K.S.A. 2015 Supp. 74-8925 is hereby amended to read as  
17 follows: 74-8925. (a) For the purposes of this act, the term "taxing  
18 subdivision" shall include the county, the city, the unified school district  
19 and any other taxing subdivision levying real property taxes, the territory  
20 or jurisdiction of which includes any currently existing or subsequently  
21 created redevelopment district. The term "real property taxes" includes all  
22 taxes levied on an ad valorem basis upon land and improvements thereon,  
23 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~  
24 ~~2015 Supp. 72-6470~~ section 16, and amendments thereto, or any other  
25 property tax levied by or on behalf of a school district.

26 (b) All tangible taxable property located within a redevelopment  
27 district shall be assessed and taxed for ad valorem tax purposes pursuant to  
28 law in the same manner that such property would be assessed and taxed if  
29 located outside such district, and all ad valorem taxes levied on such  
30 property shall be paid to and collected by the county treasurer in the same  
31 manner as other taxes are paid and collected. Except as otherwise provided  
32 in this section, the county treasurer shall distribute such taxes as may be  
33 collected in the same manner as if such property were located outside a  
34 redevelopment district. Each redevelopment district established under the  
35 provisions of this act shall constitute a separate taxing unit for the purpose  
36 of the computation and levy of taxes.

37 (c) Beginning with the first payment of taxes which are levied  
38 following the date of approval of any redevelopment district established  
39 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes  
40 received by the county treasurer resulting from taxes which are levied  
41 subject to the provisions of this act by and for the benefit of a taxing  
42 subdivision, as herein defined, on property located within such  
43 redevelopment district constituting a separate taxing unit under the

1 provisions of this section, shall be divided as follows:

2 (1) From the taxes levied each year subject to the provisions of this  
3 act by or for each of the taxing subdivisions upon property located within a  
4 redevelopment district constituting a separate taxing unit under the  
5 provisions of this act, the county treasurer first shall allocate and pay to  
6 each such taxing subdivision all of the real property taxes collected which  
7 are produced from that portion of the current assessed valuation of such  
8 real property located within such separate taxing unit which is equal to the  
9 total assessed value of such real property on the date of the establishment  
10 of the redevelopment district.

11 (2) Any real property taxes produced from that portion of the current  
12 assessed valuation of real property within the redevelopment district  
13 constituting a separate taxing unit under the provisions of this section in  
14 excess of an amount equal to the total assessed value of such real property  
15 on the effective date of the establishment of the district shall be allocated  
16 and paid by the county treasurer according to specified percentages of the  
17 tax increment expressly agreed upon and consented to by the governing  
18 bodies of the county and school district in which the redevelopment  
19 district is located. The amount of the real property taxes allocated and  
20 payable to the authority under the agreement shall be paid by the county  
21 treasurer to the treasurer of the state. The remaining amount of the real  
22 property taxes not payable to the authority shall be allocated and paid in  
23 the same manner as other ad valorem taxes. Any real property taxes paid to  
24 the state treasurer under this section shall be deposited in the  
25 redevelopment bond finance fund of the authority which is created  
26 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of  
27 any approved redevelopment project, including the payment of principal of  
28 and interest on any bonds issued by the authority to finance, in whole or in  
29 part, such project. When such bonds and interest thereon have been paid,  
30 all moneys thereafter received from real property taxes within such  
31 redevelopment district shall be allocated and paid to the respective taxing  
32 subdivisions in the same manner as are other ad valorem taxes. If such  
33 bonds and interest thereon have been paid before the completion of a  
34 project, the authority may continue to use such moneys for any purpose  
35 authorized by the redevelopment agreement until such time as the project  
36 costs are paid or reimbursed, but for a period not to exceed the final  
37 scheduled maturity of the bonds.

38 (d) In any redevelopment plan or in the proceedings for the issuing of  
39 any bonds by the authority to finance a project, the property tax increment  
40 portion of taxes provided for in subsection (c)(2) may be irrevocably  
41 pledged for the payment of the principal of and interest on such bonds. The  
42 authority may adopt a redevelopment plan in which only a specified  
43 percentage of the tax increment realized from taxpayers in the



1 redevelopment district is pledged to the payment of costs.

2 Sec. 98. K.S.A. 2015 Supp. 74-99b43 is hereby amended to read as  
3 follows: 74-99b43. (a) The Kansas development finance authority is  
4 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-  
5 8901 et seq., and amendments thereto, in one or more series to finance the  
6 undertaking of any bioscience development project in accordance with the  
7 provisions of this act. No special obligation bonds may be issued pursuant  
8 to this section unless the Kansas development finance authority has  
9 received a resolution of the board of the authority requesting the issuance  
10 of such bonds. Such special obligation bonds shall be made payable, both  
11 as to principal and interest from one or more of the following, as directed  
12 by the authority:

13 (1) From ad valorem tax increments allocated to, and paid into the  
14 bioscience development bond fund for the payment of the project costs of  
15 a bioscience development project under the provisions of this section;

16 (2) from any private sources, contributions or other financial  
17 assistance from the state or federal government;

18 (3) from a pledge of a portion or all of the revenue received from  
19 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et  
20 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments  
21 thereto, and which are collected from taxpayers doing business within that  
22 portion of the bioscience development district and paid into the bioscience  
23 development bond fund;

24 (4) from a pledge of a portion or all increased revenue received by  
25 any city from franchise fees collected from utilities and other businesses  
26 using public right-of-way within the bioscience development district; or

27 (5) by any combination of these methods.

28 (b) All tangible taxable property located within a bioscience  
29 development district shall be assessed and taxed for ad valorem tax  
30 purposes pursuant to law in the same manner that such property would be  
31 assessed and taxed if located outside such district, and all ad valorem taxes  
32 levied on such property shall be paid to and collected by the county  
33 treasurer in the same manner as other taxes are paid and collected. Except  
34 as otherwise provided in this section, the county treasurer shall distribute  
35 such taxes as may be collected in the same manner as if such property  
36 were located outside a bioscience development district. Each bioscience  
37 development district established under the provisions of this act shall  
38 constitute a separate taxing unit for the purpose of the computation and  
39 levy of taxes.

40 (c) Beginning with the first payment of taxes which are levied  
41 following the date of the establishment of the bioscience development  
42 district real property taxes received by the county treasurer resulting from  
43 taxes which are levied subject to the provisions of this act by and for the

1 benefit of a taxing subdivision, as defined in K.S.A. 2015 Supp. 12-1770a,  
2 and amendments thereto, on property located within such bioscience  
3 development district constituting a separate taxing unit under the  
4 provisions of this section, shall be divided as follows:

5 (1) From the taxes levied each year subject to the provisions of this  
6 act by or for each of the taxing subdivisions upon property located within a  
7 bioscience development district constituting a separate taxing unit under  
8 the provisions of this act, the county treasurer first shall allocate and pay to  
9 each such taxing subdivision all of the real property taxes collected which  
10 are produced from the base year assessed valuation.

11 (2) Any real property taxes, except for property taxes levied for  
12 schools pursuant to ~~K.S.A. 2015 Supp. 72-6470~~ *section 16*, and  
13 amendments thereto, produced from that portion of the current assessed  
14 valuation of real property within the bioscience development district  
15 constituting a separate taxing unit under the provisions of this section in  
16 excess of the base year assessed valuation shall be allocated and paid by  
17 the county treasurer to the bioscience development bond fund to pay the  
18 bioscience development project costs including the payment of principal  
19 and interest on any special obligation bonds to finance, in whole or in part,  
20 such bioscience development projects.

21 (d) The authority may pledge the bioscience development bond fund  
22 or other available revenue to the repayment of such special obligation  
23 bonds prior to, simultaneously with, or subsequent to the issuance of such  
24 special obligation bonds.

25 (e) Any bonds issued under the provisions of this act and the interest  
26 paid thereon, unless specifically declared to be taxable in the authorizing  
27 resolution of the Kansas development finance authority, shall be exempt  
28 from all state, county and municipal taxes, and the exemption shall include  
29 income, estate and property taxes.

30 Sec. 99. K.S.A. 2015 Supp. 75-2319 is hereby amended to read as  
31 follows: 75-2319. (a) There is hereby established in the state treasury the  
32 school district capital improvements fund. The fund shall consist of all  
33 amounts transferred thereto under the provisions of subsection (c).

34 (b) Subject to the provisions of subsection (f), in each school year,  
35 each school district which is obligated to make payments from its capital  
36 improvements fund shall be entitled to receive payment from the school  
37 district capital improvements fund in an amount determined by the state  
38 board of education as provided in this subsection.

39 ~~(1)~~—For general obligation bonds approved for issuance at an election  
40 held prior to July 1, 2015, *or on or after July 1, 2016*, the state board of  
41 education shall:

42 ~~(A)~~ (1) Determine the amount of the assessed valuation per pupil  
43 (AVPP) of each school district in the state and round such amount to the

1 nearest \$1,000. The rounded amount is the AVPP of a school district for  
2 the purposes of this subsection (b)(1);

3 ~~(B)~~ (2) determine the median AVPP of all school districts;

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

13 ~~(D)~~ (4) determine a state aid percentage factor for each school district  
14 by assigning a state aid computation percentage to the amount of the  
15 median AVPP shown on the schedule, decreasing the state aid computation  
16 percentage assigned to the amount of the median AVPP by one percentage  
17 point for each \$1,000 interval above the amount of the median AVPP, and  
18 increasing the state aid computation percentage assigned to the amount of  
19 the median AVPP by one percentage point for each \$1,000 interval below  
20 the amount of the median AVPP. Except as provided by K.S.A. 2015 Supp.  
21 75-2319c, and amendments thereto, the state aid percentage factor of a  
22 school district is the percentage assigned to the schedule amount that is  
23 equal to the amount of the AVPP of the school district. The state aid  
24 percentage factor of a school district shall not exceed 100%. The state aid  
25 computation percentage is 25%;

26 ~~(E)~~ (5) determine the amount of payments that a school district is  
27 obligated to make from its bond and interest fund attributable to general  
28 obligation bonds approved for issuance at an election held prior to July 1,  
29 2015, *or on or after July 1, 2016*; and

30 ~~(F)~~ (6) multiply the amount determined under subsection (b)(1)~~(E)~~  
31 (5) by the applicable state aid percentage factor. *The amount of the product*  
32 *is the amount of payment the school district is entitled to receive from the*  
33 *school district capital improvements fund in the school year.*

34 (2) ~~For general obligation bonds approved for issuance at an election~~  
35 ~~held on or after July 1, 2015, but prior to July 1, 2017, the state board of~~  
36 ~~education shall:~~

37 ~~(A) Determine the amount of the AVPP of each school district in the~~  
38 ~~state and round such amount to the nearest \$1,000. The rounded amount is~~  
39 ~~the AVPP of a school district for the purposes of this subsection (b)(2);~~

40 ~~(B) prepare a schedule of dollar amounts using the amount of the~~  
41 ~~AVPP of the school district with the lowest AVPP of all school districts as~~  
42 ~~the point of beginning. The schedule of dollar amounts shall range upward~~  
43 ~~in equal \$1,000 intervals from the point of beginning to and including an~~

1 amount that is equal to the amount of the AVPP of the school district with  
2 the highest AVPP of all school districts;

3 ~~(C) determine a state aid percentage factor for each school district by~~  
4 ~~assigning a state aid computation percentage to the amount of the lowest~~  
5 ~~AVPP shown on the schedule and decreasing the state aid computation~~  
6 ~~percentage assigned to the amount of the lowest AVPP by one percentage~~  
7 ~~point for each \$1,000 interval above the amount of the lowest AVPP.~~  
8 ~~Except as provided by K.S.A. 2015 Supp. 75-2319c, and amendments~~  
9 ~~thereto, the state aid percentage factor of a school district is the percentage~~  
10 ~~assigned to the schedule amount that is equal to the amount of the AVPP of~~  
11 ~~the school district. The state aid computation percentage is 75%;~~

12 ~~(D) determine the amount of payments that a school district is~~  
13 ~~obligated to make from its bond and interest fund attributable to general~~  
14 ~~obligation bonds approved for issuance at an election held on or after July~~  
15 ~~1, 2015, but prior to July 1, 2017; and~~

16 ~~(E) multiply the amount determined under subsection (b)(2)(D) by~~  
17 ~~the applicable state aid percentage factor.~~

18 ~~(3) The sum of the amount determined under subsection (b)(1)(F) and~~  
19 ~~the amount determined under subsection (b)(2)(E) is the amount of~~  
20 ~~payment the school district is entitled to receive from the school district~~  
21 ~~capital improvements fund in the school year.~~

22 (c) The state board of education shall certify to the director of  
23 accounts and reports the entitlements of school districts determined under  
24 the provisions of subsection (b), and an amount equal thereto shall be  
25 transferred by the director from the state general fund to the school district  
26 capital improvements fund for distribution to school districts. All transfers  
27 made in accordance with the provisions of this subsection shall be  
28 considered to be demand transfers from the state general fund, except that  
29 all such transfers during the fiscal years ending June 30, 2013, June 30,  
30 2014, June 30, 2015, and June 30, 2016, shall be considered to be revenue  
31 transfers from the state general fund.

32 (d) Payments from the school district capital improvements fund shall  
33 be distributed to school districts at times determined by the state board of  
34 education to be necessary to assist school districts in making scheduled  
35 payments pursuant to contractual bond obligations. The state board of  
36 education shall certify to the director of accounts and reports the amount  
37 due each school district entitled to payment from the fund, and the director  
38 of accounts and reports shall draw a warrant on the state treasurer payable  
39 to the treasurer of the school district. Upon receipt of the warrant, the  
40 treasurer of the school district shall credit the amount thereof to the bond  
41 and interest fund of the school district to be used for the purposes of such  
42 fund.

43 (e) The provisions of this section apply only to contractual

1 obligations incurred by school districts pursuant to general obligation  
2 bonds issued upon approval of a majority of the qualified electors of the  
3 school district voting at an election upon the question of the issuance of  
4 such bonds.

5 *(f) Amounts transferred to the capital improvements fund of a school*  
6 *district as authorized by section 17, and amendments thereto, shall not be*  
7 *included in the computation when determining the amount of state aid to*  
8 *which a school district is entitled to receive under this section.*

9 Sec. 100. K.S.A. 2015 Supp. 79-201x is hereby amended to read as  
10 follows: 79-201x. For taxable years ~~2015~~ 2016 and ~~2016~~ 2017, the  
11 following described property, to the extent herein specified, shall be and is  
12 hereby exempt from the property tax levied pursuant to the provisions of  
13 ~~K.S.A. 2015 Supp. 72-6470~~ section 16, and amendments thereto: Property  
14 used for residential purposes to the extent of \$20,000 of its appraised  
15 valuation.

16 Sec. 101. K.S.A. 2015 Supp. 79-213 is hereby amended to read as  
17 follows: 79-213. (a) Any property owner requesting an exemption from the  
18 payment of ad valorem property taxes assessed, or to be assessed, against  
19 their property shall be required to file an initial request for exemption, on  
20 forms approved by the state board of tax appeals and provided by the  
21 county appraiser.

22 (b) The initial exemption request shall identify the property for which  
23 the exemption is requested and state, in detail, the legal and factual basis  
24 for the exemption claimed.

25 (c) The request for exemption shall be filed with the county appraiser  
26 of the county where such property is principally located.

27 (d) After a review of the exemption request, and after a preliminary  
28 examination of the facts as alleged, the county appraiser shall recommend  
29 that the exemption request either be granted or denied, and, if necessary,  
30 that a hearing be held. If a denial is recommended, a statement of the  
31 controlling facts and law relied upon shall be included on the form.

32 (e) The county appraiser, after making such written recommendation,  
33 shall file the request for exemption and the recommendations of the county  
34 appraiser with the state board of tax appeals. With regard to a request for  
35 exemption from property tax pursuant to the provisions of K.S.A. 79-201g  
36 and 82a-409, and amendments thereto, not filed with the board of tax  
37 appeals by the county appraiser on or before the effective date of this act,  
38 if the county appraiser recommends the exemption request be granted, the  
39 exemption shall be provided in the amount recommended by the county  
40 appraiser and the county appraiser shall not file the request for exemption  
41 and recommendations of the county appraiser with the state board of tax  
42 appeals. The county clerk or county assessor shall annually make such  
43 adjustment in the taxes levied against the real property as the owner may

1 be entitled to receive under the provisions of K.S.A. 79-201g, and  
2 amendments thereto, as recommended by the county appraiser, beginning  
3 with the first period, following the date of issue of the certificate of  
4 completion on which taxes are regularly levied, and during the years  
5 which the landowner is entitled to such adjustment.

6 (f) Upon receipt of the request for exemption, the board shall docket  
7 the same and notify the applicant and the county appraiser of such fact.

8 (g) After examination of the request for exemption and the county  
9 appraiser's recommendation related thereto, the board may fix a time and  
10 place for hearing, and shall notify the applicant and the county appraiser of  
11 the time and place so fixed. A request for exemption pursuant to: (1)  
12 Section 13 of article 11 of the constitution of the state of Kansas; or (2)  
13 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed  
14 or purchased, in whole or in part, with the proceeds of revenue bonds  
15 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and  
16 amendments thereto, prepared in accordance with instructions and  
17 assistance which shall be provided by the department of commerce, shall  
18 be deemed approved unless scheduled for hearing within 30 days after the  
19 date of receipt of all required information and data relating to the request  
20 for exemption, and such hearing shall be conducted within 90 days after  
21 such date. Such time periods shall be determined without regard to any  
22 extension or continuance allowed to either party to such request. In any  
23 case where a party to such request for exemption requests a hearing  
24 thereon, the same shall be granted. Hearings shall be conducted in  
25 accordance with the provisions of the Kansas administrative procedure act.  
26 In all instances where the board sets a request for exemption for hearing,  
27 the county shall be represented by its county attorney or county counselor.

28 (h) Except as otherwise provided by subsection (g), in the event of a  
29 hearing, the same shall be originally set not later than 90 days after the  
30 filing of the request for exemption with the board.

31 (i) During the pendency of a request for exemption, no person, firm,  
32 unincorporated association, company or corporation charged with real  
33 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-  
34 2004a, and amendments thereto, on the tax books in the hands of the  
35 county treasurer shall be required to pay the tax from the date the request  
36 is filed with the county appraiser until the expiration of 30 days after the  
37 board issued its order thereon and the same becomes a final order. In the  
38 event that taxes have been assessed against the subject property, no interest  
39 shall accrue on any unpaid tax for the year or years in question nor shall  
40 the unpaid tax be considered delinquent from the date the request is filed  
41 with the county appraiser until the expiration of 30 days after the board  
42 issued its order thereon. In the event the board determines an application  
43 for exemption is without merit and filed in bad faith to delay the due date

1 of the tax, the tax shall be considered delinquent as of the date the tax  
2 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and  
3 amendments thereto, and interest shall accrue as prescribed therein.

4 (j) In the event the board grants the initial request for exemption, the  
5 same shall be effective beginning with the date of first exempt use except  
6 that, with respect to property the construction of which commenced not to  
7 exceed 24 months prior to the date of first exempt use, the same shall be  
8 effective beginning with the date of commencement of construction.

9 (k) In conjunction with its authority to grant exemptions, the board  
10 shall have the authority to abate all unpaid taxes that have accrued from  
11 and since the effective date of the exemption. In the event that taxes have  
12 been paid during the period where the subject property has been  
13 determined to be exempt, the board shall have the authority to order a  
14 refund of taxes for the year immediately preceding the year in which the  
15 exemption application is filed in accordance with subsection (a).

16 (l) The provisions of this section shall not apply to: (1) Farm  
17 machinery and equipment exempted from ad valorem taxation by K.S.A.  
18 79-201j, and amendments thereto; (2) personal property exempted from ad  
19 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing  
20 apparel, household goods and personal effects exempted from ad valorem  
21 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all  
22 property exempted from ad valorem taxation by K.S.A. 79-201d, and  
23 amendments thereto; (6) merchants' and manufacturers' inventories  
24 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments  
25 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,  
26 and amendments thereto; (8) property exempted from ad valorem taxation  
27 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all  
28 property previously acquired by the secretary of transportation or a  
29 predecessor in interest, which is used in the administration, construction,  
30 maintenance or operation of the state system of highways. The secretary of  
31 transportation shall at the time of acquisition of property notify the county  
32 appraiser in the county in which the property is located that the acquisition  
33 occurred and provide a legal description of the property acquired; (9)  
34 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,  
35 and amendments thereto, including all property previously acquired by the  
36 Kansas turnpike authority which is used in the administration,  
37 construction, maintenance or operation of the Kansas turnpike. The Kansas  
38 turnpike authority shall at the time of acquisition of property notify the  
39 county appraiser in the county in which the property is located that the  
40 acquisition occurred and provide a legal description of the property  
41 acquired; (10) aquaculture machinery and equipment exempted from ad  
42 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in  
43 this section, "aquaculture" has the same meaning ascribed thereto by

1 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery  
 2 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and  
 3 amendments thereto; (12) property used exclusively by the state or any  
 4 municipality or political subdivision of the state for right-of-way purposes.  
 5 The state agency or the governing body of the municipality or political  
 6 subdivision shall at the time of acquisition of property for right-of-way  
 7 purposes notify the county appraiser in the county in which the property is  
 8 located that the acquisition occurred and provide a legal description of the  
 9 property acquired; (13) machinery, equipment, materials and supplies  
 10 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments  
 11 thereto; (14) vehicles owned by the state or by any political or taxing  
 12 subdivision thereof and used exclusively for governmental purposes; (15)  
 13 property used for residential purposes which is exempted pursuant to  
 14 K.S.A. 79-201x, and amendments thereto, from the property tax levied  
 15 pursuant to ~~K.S.A. 2015 Supp. 72-6470~~ *section 16*, and amendments  
 16 thereto; (16) from and after July 1, 1998, vehicles which are owned by an  
 17 organization having as one of its purposes the assistance by the provision  
 18 of transit services to the elderly and to disabled persons and which are  
 19 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)  
 20 from and after July 1, 1998, motor vehicles exempted from taxation by  
 21 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and  
 22 industrial machinery and equipment exempted from property or ad  
 23 valorem taxation by K.S.A. 2015 Supp. 79-223, and amendments thereto;  
 24 (19) telecommunications machinery and equipment and railroad  
 25 machinery and equipment exempted from property or ad valorem taxation  
 26 by K.S.A. 2015 Supp. 79-224, and amendments thereto; and (20) property  
 27 exempted from property or ad valorem taxation by K.S.A. 2015 Supp. 79-  
 28 234, and amendments thereto.

29 (m) The provisions of this section shall apply to property exempt  
 30 pursuant to the provisions of section 13 of article 11 of the constitution of  
 31 the state of Kansas.

32 (n) The provisions of subsection (k) as amended by this act shall be  
 33 applicable to all exemption applications filed in accordance with  
 34 subsection (a) after December 31, 2001.

35 Sec. 102. K.S.A. 2015 Supp. 79-2001 is hereby amended to read as  
 36 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll  
 37 of the county, the treasurer shall enter in a column opposite the description  
 38 of each tract or parcel of land the amount of unpaid taxes and the date of  
 39 unredeemed sales, if any, for previous years on such land. The treasurer  
 40 shall cause a notice to be published in the official county paper once each  
 41 week for three consecutive weeks, stating in the notice the amount of taxes  
 42 charged for state, county, township, school, city or other purposes for that  
 43 year, on each \$1,000 of valuation.



1 (b) Each year after receipt of the tax roll from the county clerk and  
2 before December 15, the treasurer shall mail to each taxpayer, as shown by  
3 the rolls, a tax statement which indicates the taxing unit, assessed value of  
4 real and personal property, the mill levy and tax due. In addition, with  
5 respect to land devoted to agricultural use, such statement shall indicate  
6 the acreage and description of each parcel of such land. The tax statement  
7 shall also indicate separately each parcel of real property which is  
8 separately classified for property tax purposes. The county appraiser shall  
9 provide the information necessary for the county treasurer to comply with  
10 the provisions of this section. The tax statement also may include the  
11 intangible tax due the county. All items may be on one statement or may  
12 be shown on separate statements and may be on a form prescribed by the  
13 county treasurer. The statement shall be mailed to the last known address  
14 of the taxpayer or to a designee authorized by the taxpayer to accept the  
15 tax statement, if the designee has an interest in receiving the statement.  
16 When any statement is returned to the county treasurer for failure to find  
17 the addressee, the treasurer shall make a diligent effort to find a  
18 forwarding address of the taxpayer and mail the statement to the new  
19 address. All tax statements mailed pursuant to this section shall be mailed  
20 by first-class mail. The requirement for mailing a tax statement shall  
21 extend only to the initial statement required to be mailed in each year and  
22 to any follow-up required by this section.

23 (c) For tax year 1998, and all tax years thereafter, after receipt of the  
24 tax roll from the county clerk and before December 15, the treasurer shall  
25 mail to each taxpayer, as shown by the tax rolls, a tax information form  
26 which indicates the taxing unit, assessed value of real property for the  
27 current and next preceding taxable year, the mill levy for the current and  
28 next preceding taxable year and, in the case of unified school districts, the  
29 mill levy required by ~~K.S.A. 2015 Supp. 72-6470~~ section 16, and  
30 amendments thereto, shall be separately indicated, the tax due and an  
31 itemization of each taxing unit's mill levy for the current and next  
32 preceding taxable year and the percentage change in the amount of  
33 revenue produced therefrom, if any. In addition, with respect to land  
34 devoted to agricultural use, such form shall indicate the acreage and  
35 description of each parcel of such land. The tax information form shall  
36 also indicate separately each parcel of real property which is separately  
37 classified for property tax purposes. The county appraiser shall provide the  
38 information necessary for the county treasurer to comply with the  
39 provisions of this section. The tax information form may be separate from  
40 the tax statement or a part of the tax statement. The tax information form  
41 shall be in a format prescribed by the director of property valuation. The  
42 tax information form shall be mailed to the last known address of the  
43 taxpayer. When a tax information form is returned to the county treasurer

1 for failure to find the addressee, the treasurer shall make a diligent effort to  
2 find a forwarding address of the taxpayer and mail the tax information  
3 form to the new address. All tax information forms mailed pursuant to this  
4 section shall be mailed by first class mail.

5 Sec. 103. K.S.A. 2015 Supp. 79-2925b is hereby amended to read as  
6 follows: 79-2925b. (a) Without a majority vote so providing, the governing  
7 body of any municipality shall not approve any appropriation or budget, as  
8 the case requires, which may be funded by revenue produced from  
9 property taxes, and which provides for funding with such revenue in an  
10 amount exceeding that of the next preceding year, adjusted to reflect  
11 changes in the consumer price index for all urban consumers as published  
12 by the United States department of labor for the preceding calendar year. If  
13 the total tangible property valuation in any municipality increases from the  
14 next preceding year due to increases in the assessed valuation of existing  
15 tangible property and such increase exceeds changes in the consumer price  
16 index, the governing body shall lower the amount of ad valorem tax to be  
17 levied to the amount of ad valorem tax levied in the next preceding year,  
18 adjusted to reflect changes in the consumer price index. This subsection  
19 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-  
20 6b04 and ~~K.S.A. 2015 Supp. 72-6470 section 16~~, and amendments thereto,  
21 and any other ad valorem tax levy which was previously approved by the  
22 voters of such municipality. Except as provided in subsection (g),  
23 notwithstanding the requirements of this subsection, nothing herein shall  
24 prohibit a municipality from increasing the amount of ad valorem tax to be  
25 levied if the municipality approves the increase with a majority vote of the  
26 governing body by the adoption of a resolution and publishes such vote as  
27 provided in subsection (c).

28 (b) Revenue that, in the current year, is produced and attributable to  
29 the taxation of:

- 30 (1) New improvements to real property;
- 31 (2) increased personal property valuation, other than increased  
32 valuation of oil and gas leaseholds and mobile homes;
- 33 (3) property located within added jurisdictional territory; or
- 34 (4) property which has changed in use shall not be considered when  
35 determining whether revenue produced from property has increased from  
36 the next preceding year.

37 (c) In the event the governing body votes to approve any  
38 appropriation or budget, as the case requires, which may be funded by  
39 revenue produced from property taxes, and which provides for funding  
40 with such revenue in an amount exceeding that of the next preceding year  
41 as provided in subsection (a), notice of such vote shall be published in the  
42 official county newspaper of the county where such municipality is  
43 located.

1 (d) The provisions of this section shall be applicable to all fiscal and  
2 budget years commencing on and after the effective date of this act.

3 (e) The provisions of this section shall not apply to revenue received  
4 from property tax levied for the sole purpose of repayment of the principal  
5 of and interest upon bonded indebtedness, temporary notes and no-fund  
6 warrants.

7 (f) For purposes of this section, "municipality" means any political  
8 subdivision of the state which levies an ad valorem tax on property and  
9 includes, but is not limited to, any county, township, municipal university,  
10 school district, community college, drainage district or other taxing  
11 district. "Municipality" shall not include any such political subdivision or  
12 taxing district which receives \$1,000 or less in revenue from property  
13 taxes in the current year.

14 (g) On and after January 1, 2018: (1) In the case of cities and  
15 counties, any resolution by the governing body otherwise required by this  
16 section to adopt any appropriation or budget which provides for funding  
17 by property tax revenue in an amount exceeding that of the next preceding  
18 year as adjusted pursuant to subsection (a) to reflect changes in the  
19 consumer price index, shall not become effective unless such resolution  
20 has been submitted to and approved by a majority of the qualified electors  
21 of the city or county voting at an election called and held thereon, except  
22 as otherwise provided. The election shall be called and held in the manner  
23 provided by K.S.A. 10-120, and amendments thereto, at the next regularly  
24 scheduled election to be held in August or November, or may be a mail  
25 ballot election, conducted in accordance with K.S.A. 25-431 et seq., and  
26 amendments thereto, or may be a special election called by the city or  
27 county. Nothing in this subsection shall prevent any city or county from  
28 holding more than one election in any year.

29 (2) A resolution by the governing body of a city or county otherwise  
30 required by the provisions of this section shall not be required to be  
31 approved by an election required by subsection (g)(1) under the following  
32 circumstances:

33 (A) The increase in the amount of ad valorem tax to be levied that is  
34 greater than the change in the consumer price index is due to:

35 (i) Costs for new infrastructure or improvements to existing  
36 infrastructure to support new improvements to property exempt from  
37 property taxation pursuant to the provisions of K.S.A. 79-201 et seq., and  
38 amendments thereto, such as hospitals, schools and churches, or exempt  
39 additions to or improvements to property so exempt from property  
40 taxation;

41 (ii) bond and interest payments;

42 (iii) an increase in property subject to taxation as the result of the  
43 expiration of any abatement of property from property tax;

- 1 (iv) increases in road construction costs when such construction has
- 2 been once approved by a resolution of the governing body of the city or
- 3 county;
- 4 (v) special assessments;
- 5 (vi) judgments levied against the city or county or expenses for legal
- 6 counsel and for defense of legal actions against the city or county or
- 7 officers of the city or county;
- 8 (vii) new expenditures that are specifically mandated by federal or
- 9 state law; or
- 10 (viii) an increase in property subject to taxation as the result of new
- 11 construction;
- 12 (B) the assessed valuation has declined in one or more of the next
- 13 preceding three calendar years and the increase in the amount of funding
- 14 for the budget or appropriation from revenue produced from property taxes
- 15 does not exceed the average amount of funding from such revenue of the
- 16 next preceding three calendar years, adjusted to reflect changes in the
- 17 consumer price index for all urban consumers as published by the United
- 18 States department of labor for the preceding calendar year; or
- 19 (C) the increase in the amount of ad valorem tax to be levied is less
- 20 than the change in the consumer price index plus the loss of assessed
- 21 property valuation that has occurred as the result of legislative action,
- 22 judicial action or a ruling by the board of tax appeals.
- 23 Sec. 104. K.S.A. 2015 Supp. 10-1116a, 12-1677, 12-1770a, 12-
- 24 1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607,
- 25 72-3711, 72-3712, 72-3715, 72-5333b, 72-6463, 72-6464, 72-6465, 72-
- 26 6466, 72-6467, 72-6468, 72-6469, 72-6470, 72-6471, 72-6472, 72-6473,
- 27 72-6474, 72-6475, 72-6476, 72-6477, 72-6478, 72-6479, 72-6480, 72-
- 28 6481, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-
- 29 6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236,
- 30 72-8237, 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-
- 31 8415b, 72-8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-
- 32 8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b are
- 33 hereby repealed.
- 34 Sec. 105. This act shall take effect and be in force from and after its
- 35 publication in the statute book.