AN ACT concerning education; relating to the instruction and financing thereof; making and concerning appropriations for the fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021, for the department of education; amending K.S.A. 72-5142 and 72-5462 and K.S.A. 2018 Supp. 79-201x and repealing the existing sections.

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

Section 1.

DEPARTMENT OF EDUCATION

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

KPERS – employer contributions – non-USDs (652-00-1000-0100)....................$1,036,647

KPERS – employer contributions – USDs (652-00-1000-0110)........................$18,986,873

Supplemental general state aid (652-00-1000-0840)................$10,383,000

(b) On the effective date of this act, of the $520,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 76(a) of chapter 109 of the 2018 Session Laws of Kansas from the state general fund in the teach for America pilot program account (652-00-1000-0200) the sum of $250,000 is hereby lapsed.

(c) On the effective date of this act, of the $4,771,500 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 2(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the school district juvenile detention facilities and Flint Hills job corps center grants account (652-00-1000-0290) the sum of $927,439 is hereby lapsed.

(d) On the effective date of this act, of the $327,500 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 2(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the governor's teaching excellence scholarships and awards account (652-00-1000-0770) the sum of $142,326 is hereby lapsed.

(e) On the effective date of this act, of the $2,046,657,545 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 2(a) of chapter 95 of the 2017 Session Laws of Kansas from the state general fund in the state foundation aid account (652-00-1000-0820)
the sum of $39,326,035 is hereby lapsed.

(f) On the effective date of this act, of the $2,500,000 appropriated for the above agency for the fiscal year ending June 30, 2019, by section 1(a) of chapter 57 of the 2018 Session Laws of Kansas from the state general fund in the MHIT pilot program – online database account (652-00-1000-0160) the sum of $2,000,000 is hereby lapsed.

(g) On the effective date of this act, the director of accounts and reports shall transfer $105,894 from the school district extraordinary declining enrollment fund (652-00-2290-2290) of the department of education to the state general fund.

(h) During the fiscal year ending June 30, 2019, the commissioner of education, with the approval of the director of the budget, may transfer any part of any item of appropriation for fiscal year 2019 from the state general fund for the department of education to another item of appropriation for fiscal year 2019 from the state general fund for the department of education. The commissioner of education shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of legislative research.

Sec. 2.

DEPARTMENT OF EDUCATION

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

Operating expenditures (including official hospitality) (652-00-1000-0053) .........................................$13,477,957

Provided, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Special education services aid (652-00-1000-0700) ..........................................................$497,880,818

Provided, That any unencumbered balance in the special education services aid account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That expenditures shall not be made from the special education services aid account for the provision of instruction for any homebound or hospitalized child, unless the categorization of such child as exceptional is conjoined with the categorization of the child within one or more of the other categories of exceptionality: And provided further, That expenditures shall be made from this account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-3425, and amendments thereto: And provided further, That expenditures shall be made from the amount remaining in this account, after deduction of the expenditures specified in the foregoing provisos, for payments to school districts in amounts determined pursuant to and in accordance with the
provisions of K.S.A. 72-3422, and amendments thereto.

State foundation aid (652-00-1000-0820).................................$2,225,115,906

Provided, That any unencumbered balance in the state foundation aid account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Supplemental state aid (652-00-1000-0840)...............................$503,300,000

Provided, That any unencumbered balance in the supplemental state aid account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Mentor teacher (652-00-1000-0440)........................................$1,300,000

Professional development (652-00-1000-0860)..........................$1,700,000

Information technology education opportunities (652-00-1000-0600)..............................................$500,000

Discretionary grants (652-00-1000-0400)..................................$322,457

Provided, That the above agency shall make expenditures from the discretionary grants account during the fiscal year 2020, in the amount not less than $125,000 for after school programs for middle school students in the sixth, seventh and eighth grades: Provided further, That the after school programs may also include fifth and ninth grade students, if they attend a junior high: And provided further, That such discretionary grants shall be awarded to after school programs that operate for a minimum of six hours a day, every day that school is in session, and a minimum of six hours a day for a minimum of five weeks during the summer: And provided further, That the discretionary grants awarded to after school programs shall require a $1 for $1 local match: And provided further, That the aggregate amount of discretionary grants awarded to any one after school program shall not exceed $25,000.

School food assistance (652-00-1000-0320).................................$2,510,486

School safety hotline (652-00-1000-0230).............................................$10,000

KPERS – employer contributions – non-USDs (652-00-1000-0100)........$41,418,747

Provided, That any unencumbered balance in the KPERS – employer contributions – non-USDs account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That all expenditures from the KPERS – employer contributions – non-USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: And provided further, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

KPERS – employer contributions – USDs (652-00-1000-0110)............$533,603,431
Provided, That any unencumbered balance in the KPERS – employer contributions – USDs account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That all expenditures from the KPERS – employer contributions – USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: And provided further, That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

KPERS employer contribution

layering payment #1 (652-00-1000-0120) .................. $6,400,000

KPERS employer contribution

layering payment #2 ........................................... $19,400,000

Career and technical education

transportation (652-00-1000-0190) ........................... $650,000

Education super highway (652-00-1000-0180) ................. $950,000

Provided, That any unencumbered balance in the education super highway account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Juvenile transitional crisis center

pilot project (652-00-1000-0210) .............................. $300,000

Provided, That expenditures from the juvenile transitional crisis center pilot project account shall be used by the above agency during fiscal year 2020 to develop a regional crisis center pilot project at the Beloit special education cooperative, founded on research and evidence-based practices designed to meet the unique social and emotional needs of students identified as at-risk or with disabilities: Provided further, That such project shall provide individualized programming to attain such student's high school diploma and job skills while working through the social skills program: And provided further, That the commissioner of education shall provide an update on the implementation of the pilot project developed by this proviso to the legislature on or before the first day of the 2020 regular legislative session.

ACT and Workkeys assessments

program (652-00-1000-0140) .............................. $2,800,000

Provided, That expenditures shall be made by the above agency from the ACT and workkeys assessments program account to provide the ACT college entrance exam and the three ACT workkeys assessments that are required to earn a national career readiness certificate to each student enrolled in grades nine through 12: Provided further, That no student enrolled in grades nine through 12 of any school district shall be required to pay any fees or costs to take such exam and assessments: And provided
further, That in no event shall any school district be required to provide for
more than one exam and three assessments per student: And provided
further, That the state board of education may enter into any contracts that
are necessary to promote statewide cost savings to administer such exams
and assessments.

Mental health intervention team

Provided, That expenditures shall be made by the above agency to
implement the mental health intervention team pilot program so as to
improve social-emotional wellness and outcomes for students by
increasing schools’ access to counselors, social workers and psychologists
statewide: Provided further, That school districts participating in such
program shall enter into the necessary memorandums of understanding and
other necessary agreements with participating community mental health
centers and the appropriate state agencies to implement the pilot program:
And provided further, That mental health intervention teams shall consist
of school liaisons employed by the participating school district, and
clinical therapists and case managers employed by the participating
community mental health center: And provided further, That the following
shall participate in the pilot program for fiscal year 2020: (1) 23 schools in
the Wichita school district (U.S.D. no. 259); (2) 28 schools in the Topeka
school district (U.S.D. no. 501); (3) 10 schools in the Kansas City school
district (U.S.D. no. 500); (4) 5 schools in the Parsons school district
(U.S.D. no. 503); (5) 4 schools in the Garden City school district (U.S.D.
no. 457); and (6) 9 schools served by the fiscal agent, Abilene school
district (U.S.D. no. 435): And provided further, That on or before June 30,
2020, the director of the division of health care finance of the department
of health and environment shall certify to the director of the budget and the
director of the legislative research department the aggregate amount of
expenditures for fiscal year 2020 for treatment and services for students
provided under the mental health intervention team pilot program, or
provided based on a referral from such program.

MHIT pilot program – online

database (652-00-1000-0160)..................................................................$500,000
MHIT school liaisons (652-00-1000-0170).............................................$3,263,110
Provided, That expenditures shall be made by the above agency for mental
health intervention team school liaisons employed by those school districts
participating in the mental health intervention team pilot program.

Educable deaf-blind and

severely handicapped children’s

programs aid (652-00-1000-0630).........................................................$110,000

School district juvenile detention

facilities and Flint Hills job corps
Provided, That any unencumbered balance in the school district juvenile detention facilities and Flint Hills job corps center grants account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That expenditures shall be made from the school district juvenile detention facilities and Flint Hills job corps center grants account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-1173, and amendments thereto.

Governor's teaching excellence scholarships and awards (652-00-1000-0770)..............................................................................................$360,693

Provided, That any unencumbered balance in the governor's teaching excellence scholarships and awards account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That all expenditures from the governor's teaching excellence scholarships and awards account for teaching excellence scholarships shall be made in accordance with K.S.A. 72-2166, and amendments thereto: And provided further, That each such grant shall be required to be matched on a $1 for $1 basis from nonstate sources: And provided further, That award of each such grant shall be conditioned upon the recipient entering into an agreement requiring the grant to be repaid if the recipient fails to complete the course of training under the national board for professional teaching standards certification program: And provided further, That all moneys received by the department of education for repayment of grants for governor's teaching excellence scholarships shall be deposited in the state treasury and credited to the governor's teaching excellence scholarships program repayment fund (652-00-7221-7200).

Governor's scholars program scholarships and awards.................................................................$20,000

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2020, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law and transfers to other state agencies shall not exceed the following:

State school district finance fund (652-00-7393-7000).................................................................No limit

School district capital improvements fund (652-00-2880-2880).................................................No limit

Provided, That expenditures from the school district capital improvements fund shall be made only for the payment of general obligation bonds approved by voters under the authority of K.S.A. 72-5457, and amendments thereto.

Mineral production
Provided, That notwithstanding the provisions of K.S.A. 8-272, and amendments thereto, or any other statute, funds shall be distributed during fiscal year 2020 as soon as moneys are available.
Provided, That expenditures may be made from the inservice education workshop fee fund for operating expenditures, including official hospitality, incurred for inservice workshops and conferences: Provided further, That the state board of education is hereby authorized to fix, charge and collect fees for inservice workshops and conferences: And provided further, That such fees shall be fixed in order to recover all or part of such operating expenditures incurred for inservice workshops and conferences: And provided further, That all fees received for inservice workshops and conferences shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the inservice education workshop fee fund.

Private donations, gifts, grants and bequests fund (652-00-7307-5000)...........................No limit

Reimbursement for services fund (652-00-3056-3200)...........................No limit

Communities in schools program fund (652-00-2221-2400)...........................No limit

Governor's teaching excellence scholarships program repayment fund (652-00-7221-7200)...........................No limit

Provided, That all expenditures from the governor's teaching excellence scholarships program repayment fund shall be made in accordance with
K.S.A. 72-2166, and amendments thereto: Provided further, That each such grant shall be required to be matched on a $1 for $1 basis from nonstate sources: And provided further, That award of each such grant shall be conditioned upon the recipient entering into an agreement requiring the grant to be repaid if the recipient fails to complete the course of training under the national board for professional teaching standards certification program: And provided further, That all moneys received by the department of education for repayment of grants made under the governor's teaching excellence scholarships program shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the governor's teaching excellence scholarships program repayment fund.

State grants for improving teacher quality –

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Federal fund (652-00-3526-3860)</td>
<td>No limit</td>
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<tr>
<td>State grants for improving teacher quality – federal fund</td>
<td></td>
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<tr>
<td>State operations (652-00-3527-3870)</td>
<td>No limit</td>
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<tr>
<td>21st century community learning centers – federal fund (652-00-3519-3890)</td>
<td>No limit</td>
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<tr>
<td>State assessments –</td>
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<tr>
<td>Rural and low-income schools program – federal fund (652-00-3521-3810)</td>
<td>No limit</td>
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<tr>
<td>TANF children's programs –</td>
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<tr>
<td>Federal fund (652-00-3323-0531)</td>
<td>No limit</td>
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<tr>
<td>ESSA – student support academic enrichment – federal fund (652-00-3113-3113)</td>
<td>No limit</td>
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<td>Language assistance state grants – federal fund (652-00-3522-3820)</td>
<td>No limit</td>
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<tr>
<td>Service clearing fund (652-00-2869-2800)</td>
<td>No limit</td>
</tr>
<tr>
<td>Local school district contribution program checkoff fund (652-00-7005-7005)</td>
<td>No limit</td>
</tr>
<tr>
<td>Educational technology coordinator fund (652-00-2157-2157)</td>
<td>No limit</td>
</tr>
</tbody>
</table>

Provided, That expenditures shall be made by the above agency for the fiscal year ending June 30, 2020, from the educational technology coordinator fund of the department of education to provide data on the number of school districts served and cost savings for those districts in fiscal year 2020 in order to assess the cost effectiveness of the position of educational technology coordinator.

(c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2020, the following:

Parent education program (652-00-2000-2510)........................................$8,237,635
Provided, That any unencumbered balance in the parent education program account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020: Provided further, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant.

Children's cabinet accountability fund (652-00-2000-2402).................................$375,000

Provided, That any unencumbered balance in the children's cabinet accountability fund account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

CIF grants (652-00-2000-2408).................................................................$18,127,914

Provided, That any unencumbered balance in the CIF grants account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Quality initiative infants and toddlers (652-00-2000-2420)......................................$500,000

Provided, That any unencumbered balance in the quality initiative infants and toddlers account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Early childhood block grant autism diagnosis (652-00-2000-2422)..................................$50,000

Provided, That any unencumbered balance in the early childhood block grant autism diagnosis account in excess of $100 as of June 30, 2019, is hereby reappropriated for fiscal year 2020.

Communities aligned in early development and education (652-00-2000-2550).............................$1,000,000

Pre-K pilot (652-00-2000-2535).................................................................$4,200,000

(d) On July 1, 2019, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and amendments thereto, or any other statute, the director of accounts and reports shall transfer $50,000 from the family and children trust account of the family and children investment fund (652-00-7375-7900) of the department of education to the communities in schools program fund (652-00-2221-2400) of the department of education.

(e) On March 30, 2020, and June 30, 2020, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer $550,000 from the state safety fund (652-00-2538-2030) to the state general fund: Provided, That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: Provided further, That the amount transferred from the state safety fund to the state...
general fund pursuant to this subsection is to reimburse the state general
fund for accounting, auditing, budgeting, legal, payroll, personnel and
purchasing services and any other governmental services that are
performed on behalf of the department of education by other state agencies
that receive appropriations from the state general fund to provide such
services.

(f) On July 1, 2019, and quarterly thereafter, the director of accounts
and reports shall transfer $72,500 from the state highway fund of the
department of transportation to the school bus safety fund (652-00-2532-
2300) of the department of education.

(g) On July 1, 2019, the director of accounts and reports shall transfer
an amount certified by the commissioner of education from the motorcycle
safety fund (652-00-2633-2050) of the department of education to the
motorcycle safety fund (561-00-2366-2360) of the state board of regents:
Provided, That the amount to be transferred shall be determined by the
commissioner of education based on the amounts required to be paid
pursuant to K.S.A. 8-272(b)(2), and amendments thereto.

(h) There is appropriated for the above agency from the expanded
lottery act revenues fund for the fiscal year ending June 30, 2020, the
following:

| KPERS – school employer contribution (652-00-1700-1700) | $41,632,883 |

(i) On July 1, 2019, or as soon thereafter as moneys are available, the
director of accounts and reports shall transfer $97,250 from the USAC E-
rate program federal fund (561-00-3920-3920) of the state board of regents
to the education technology coordinator fund (652-00-2157-2157) of the
department of education: Provided, That the department of education shall
provide information and data regarding the number of school districts
served and cost savings attained by such school districts in order to assess
the cost effectiveness of having this education technology coordinator
position: Provided further, That such information and data shall be
available by the department of education by the end of the fiscal year
2020.

(j) There is appropriated for the above agency from the Kansas
endowment for youth fund for the fiscal year ending June 30, 2020, the
following:

| Children's cabinet administration (652-00-7000-7001) | $256,234 |

Provided, That any unencumbered balance in the children's cabinet
administration account in excess of $100 as of June 30, 2019, is hereby
reappropriated for fiscal year 2020.

(k) During the fiscal year ending June 30, 2020, the commissioner of
education, with the approval of the director of the budget, may transfer any
part of any item of appropriation for fiscal year 2020 from the state general
fund for the department of education to another item of appropriation for fiscal year 2020 from the state general fund for the department of education. The commissioner of education shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of legislative research.

Sec. 3.

DEPARTMENT OF EDUCATION

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

State foundation aid (652-00-1000-0820)............................$2,305,700,929

Provided, That any unencumbered balance in the state foundation aid account in excess of $100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021.

Supplemental state aid (652-00-1000-0840)............................$519,300,000

Provided, That any unencumbered balance in the supplemental state aid account in excess of $100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021.

KPERS – employer contributions – non-USDs (652-00-1000-0100).......................$43,314,357

Provided, That any unencumbered balance in the KPERS – employer contributions – non-USDs account in excess of $100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021: Provided further; That all expenditures from the KPERS – employer contributions – non-USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: And provided further; That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

KPERS – employer contributions – USDs (652-00-1000-0110)...........................$545,828,524

Provided, That any unencumbered balance in the KPERS – employer contributions – USDs account in excess of $100 as of June 30, 2020, is hereby reappropriated for fiscal year 2021: Provided further; That all expenditures from the KPERS – employer contributions – USDs account shall be for payment of participating employers' contributions to the Kansas public employees retirement system as provided in K.S.A. 74-4939, and amendments thereto: And provided further; That expenditures from this account for the payment of participating employers' contributions to the Kansas public employees retirement system may be made regardless of when the liability was incurred.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2021, all
moneys now or hereafter lawfully credited to and available in such fund or
crushed to and available in such fund or funds, except that expenditures shall not exceed the following:

4. Mineral production
   education fund (652-00-7669-7669)............................................No limit
5. State school district
   finance fund (652-00-7393-7000)............................................No limit

(c) There is appropriated for the above agency from the expanded lottery act revenues fund for the fiscal year ending June 30, 2021, the following:

KPERS – school employer
   contribution (652-00-1700-1700).........................................$41,640,023

Sec. 4. On and after July 1, 2019, K.S.A. 72-5142 is hereby amended to read as follows: 72-5142. (a) The board of education of each school district shall levy an ad valorem tax upon the taxable tangible property of the school district in the school years specified in subsection (b) for the purpose of:

(1) Financing that portion of the school district's general fund budget that is not financed from any other source provided by law;
(2) paying a portion of the costs of operating and maintaining public schools in partial fulfillment of the constitutional obligation of the legislature to finance the educational interests of the state; and
(3) with respect to any redevelopment school district established prior to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto, paying a portion of the principal and interest on bonds issued by cities under authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district.

(b) The tax required under subsection (a) shall be levied at a rate of 20 mills in the school years 2017-2018 2019-2020 and 2020-2021.

(c) The proceeds from the tax levied by a district under authority of this section, except the proceeds of such tax levied for the purpose described in subsection (a)(3), shall be remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state school district finance fund.

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

Sec. 5. On and after July 1, 2019, K.S.A. 72-5462 is hereby amended to read as follows: 72-5462. (a) There is hereby established in the state treasury the school district capital improvements fund. The fund shall consist of all amounts transferred thereto under the provisions of
subsection (c).

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

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

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

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

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

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

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

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

(2) For general obligation bonds approved for issuance at an election held on or after July 1, 2015, the state board of education shall:
(A) Determine the amount of the AVPP of each school district in the state for the preceding school year and round such amount to the nearest $1,000. The rounded amount is the AVPP of a school district for the purposes of this subsection (b)(2);
(B) prepare a schedule of dollar amounts using the amount of the AVPP of the school district with the lowest AVPP of all school districts as the point of beginning. The schedule of dollar amounts shall range upward in equal $1,000 intervals from the point of beginning to and including an amount that is equal to the amount of the AVPP of the school district with the highest AVPP of all school districts;
(C) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the lowest AVPP shown on the schedule and decreasing the state aid computation percentage assigned to the amount of the lowest AVPP by one percentage point for each $1,000 interval above the amount of the lowest AVPP. Except as provided by K.S.A. 72-5463, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district. The state aid computation percentage is 75%;
(D) determine the amount of payments that a school district is obligated to make from its bond and interest fund attributable to general obligation bonds approved for issuance at an election held on or after July 1, 2015; and
(E) multiply the amount determined under subsection (b)(2)(D) by the applicable state aid percentage factor.
(3) For general obligation bonds approved for issuance at an election held on or before June 30, 2016, the sum of the amount determined under subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E) is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.
(4) For general obligation bonds approved for issuance at an election held on or after July 1, 2016, the amount determined under subsection (b) (2)(E) is the amount of payment the school district shall receive from the school district capital improvements fund in the school year, except the total amount of payments school districts receive from the school district capital improvements fund in the school year for such bonds shall not exceed the six-year average amount of capital improvement state aid as determined by the state board of education.
(A) The state board of education shall determine the six-year average amount of capital improvement state aid by calculating the average of the total amount of moneys expended per year from the school district capital improvements fund in the immediately preceding six fiscal years, not to include the current fiscal year.
(B) (i) Subject to clause (ii), the state board of education shall prioritize the allocations to school districts from the school district capital improvements fund in accordance with the priorities set forth as follows in order of highest priority to lowest priority:

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

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

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

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

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

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

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

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

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

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital improvements fund for distribution to school districts. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal years ending June 30, 2017, June 30, 2018, June 30, 2019, and June 30, 2020, shall be considered to be revenue transfers from the state general fund.

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

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

(f) On or before the first day of the legislative session in 2017, and each year thereafter, the state board of education shall prepare and submit a report to the legislature that includes information on school district elections held on or after July 1, 2016, to approve the issuance of general obligation bonds and the amount of payments school districts were approved to receive from the school district capital improvements fund pursuant to subsection (b)(4)(C).
Sec. 6. On and after July 1, 2019, K.S.A. 2018 Supp. 79-201x is hereby amended to read as follows: 79-201x. For taxable years 2017 2019 and 2020, the following described property, to the extent herein specified, shall be and is hereby exempt from the property tax levied pursuant to the provisions of K.S.A. 72-5142, and amendments thereto:

Property used for residential purposes to the extent of $20,000 of its appraised valuation.

Sec. 7. On and after July 1, 2019, K.S.A. 72-5142 and 72-5462 and K.S.A. 2018 Supp. 79-201x are hereby repealed.

Sec. 8. This act shall take effect and be in force from and after its publication in the Kansas register.