AN ACT concerning school districts; relating to school finance; enacting the Kansas uniform financial accounting and reporting act; amending K.S.A. 2010 Supp. 72-6441, 72-6449, and 72-6451 and 72-8254 and repealing the existing sections.

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

Section 1. K.S.A. 2010 Supp. 72-6441 is hereby amended to read as follows:

(a) (1) The board of any district to which the provisions of this subsection apply may levy an ad valorem tax on the taxable tangible property of the district each year for a period of time not to exceed two years in an amount not to exceed the amount authorized by the state court of tax appeals under this subsection for the purpose of financing the costs incurred by the state that are directly attributable to assignment of ancillary school facilities weighting to enrollment of the district. The state court of tax appeals may authorize the district to make a levy which will produce an amount that is not greater than the difference between the amount of costs directly attributable to commencing operation of one or more new school facilities and the amount that is financed from any other source provided by law for such purpose, including any amount attributable to assignment of school facilities weighting to enrollment of the district for each school year in which the district is eligible for such weighting. If the district is not eligible, or will be ineligible, for school facilities weighting in any one or more years during the two-year period for which the district is authorized to levy a tax under this subsection, the state court of tax appeals may authorize the district to make a levy, in such year or years of ineligibility, which will produce an amount that is not greater than the actual amount of costs attributable to commencing operation of the facility or facilities.

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

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

(4) The provisions of this subsection apply to any district that: (A) commenced operation of one or more new school facilities in the school year preceding the current school year or has commenced or will commence operation of one or more new school facilities in the current school year or any or all of the foregoing; (B) is authorized to adopt and has adopted a local option budget which is at least equal to that amount required to qualify for school facilities weighting under K.S.A. 2010 Supp. 72-6415b, and amendments thereto; and (C) is experiencing extraordinary enrollment growth as determined by the state board of education.

(b) The board of any district that has levied an ad valorem tax on the taxable tangible property of the district each year for a period of two years under authority of subsection (a) may continue to levy such tax under authority of this subsection each year for an additional period of time not to exceed three years in an amount not to exceed the amount computed by the state board of education as provided in this subsection if the board of the district determines that the costs attributable to commencing operation of one or more new school facilities are significantly greater than the costs attributable to the operation of other school facilities in the district. The tax authorized under this subsection may be levied at a rate which will produce an amount that is not greater than the amount computed by the state board of education as provided in this subsection. In computing such amount, the state board shall: (1) Determine the amount produced by the tax levied by the district under authority of subsection (a) in the second year for which such tax was levied and add to such amount the amount of general state aid directly attributable to school facilities weighting that was received by the district in the same year, and; (2) compute 75% of the amount of the sum obtained under (1), which computed amount is the amount the district may levy in the first year of the three-year period for which the district may levy a tax under authority of this subsection, and; (3) compute 50% of the amount of the sum obtained under (1), which computed amount is the amount the district may levy in the second year of the three-year period for which the district may levy a tax under authority of this subsection; and (4) compute 25% of the amount of the sum obtained under (1), which computed amount is the amount the district may levy in the third year of the three-year period for which the district may levy a tax under authority of this subsection.

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

(c) The proceeds from the tax levied by a district under authority of
this section shall be remitted to the state treasurer in accordance with the
domissions 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.

Sec. 2. K.S.A. 2010 Supp. 72-6449 is hereby amended to read as
follows: 72-6449. (a) As used in this section, "school district" or "district"
means a school district authorized to make a levy under this section.
(b) The board of education of any district may levy a tax on the
taxable tangible property within the district for the purpose of financing
the costs incurred by the state that are attributable directly to assignment of
the cost of living weighting to the enrollment of the district. There is
hereby established in every school district a fund which shall be called the
cost of living fund, which fund shall consist of all moneys deposited
therein or transferred thereeto in accordance with law. All moneys derived
from a tax imposed pursuant to this section shall be credited to the cost of
living fund. The proceeds from the tax levied by a district credited to the
cost of living fund 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.
(c) The state board of education shall determine whether a district
may levy a tax under this section as follows:
(1) Determine the statewide average appraised value of single family
residences for the calendar year preceding the current school year;
(2) multiply the amount determined under (1) by 1.25;
(3) determine the average appraised value of single family residences
in each school district for the calendar year preceding the current school
year; and
(4) (A) subtract the amount determined under (2) from the amount
determined under (3). If the amount determined for the district under this
paragraph is a positive number and the district is authorized to adopt and
has adopted a local option budget in an amount equal to at least 31% of the
state financial aid for the school district, the district qualifies for
assignment of cost of living weighting and may levy a tax on the taxable
tangible property of the district for the purpose of financing the costs that
are attributable directly to assignment of the cost of living weighting to
enrollment of the district; or
(B) As an alternative to the authority provided in paragraph (4)(A), if
a district was authorized to make a levy pursuant to this section in school
year 2006-2007, such district shall remain authorized to levy such tax at a
rate necessary to generate revenue in the same amount generated in school
year 2006-2007 if: (i) The amount determined under paragraph (4)(A) is a
positive number; and (ii) the district continues to adopt a local option budget in an amount equal to the state prescribed percentage in effect in school year 2006-2007.

(d) No tax may be levied under this section unless the board of education adopts a resolution authorizing such a tax levy and publishes the resolution at least once in a newspaper having general circulation in the district. Except as provided by subsection (e), the resolution shall be published in substantial compliance with the following form:

Unified School District No. ______, ______________ County, Kansas.

RESOLUTION

Be It Resolved that:

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

CERTIFICATE

This is to certify that the above resolution was duly adopted by the board of education of Unified School District No. ______, ______________ County, Kansas, on the ____ day of __________, (year)____.

____________________________________
Clerk of the board of education.

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

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

Sec. 3. K.S.A. 2010 Supp. 72-6451 is hereby amended to read as
follows: 72-6451. (a) As used in this section:

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

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

(b) (1) (A) A school district may levy an ad valorem tax on the
taxable tangible property of the district each year for a period of time not
to exceed two years in an amount not to exceed the amount authorized by
the state court of tax appeals under this subsection for the purpose of
financing the costs incurred by the state that are directly attributable to
assignment of declining enrollment weighting to enrollment of the district.
The state court of tax appeals may authorize the district to make a levy
which will produce an amount that is not greater than the amount of
revenues lost as a result of the declining enrollment of the district. Such
amount shall not exceed 5% of the general fund budget of the district in
the school year in which the district applies to the state court of tax appeals
for authority to make a levy pursuant to this section.

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

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

(3) The state board shall prescribe guidelines for the data that school
districts shall include in cases before the state court of tax appeals pursuant
to this section.
(c) A district may levy the tax authorized pursuant to this section for a
period of time not to exceed two years unless authority to make such levy
is renewed by the state court of tax appeals. The state court of tax appeals
may renew the authority to make such levy for periods of time not to
exceed two years.
(d) The state board shall provide to the state court of tax appeals such
school data and information requested by the state court of tax appeals and
any other information deemed necessary by the state board.
(e) There is hereby established in every district a fund which shall be
called the declining enrollment fund. Such fund shall consist of all moneys
deposited therein or transferred thereto according to law. The proceeds
from the tax levied by a district under authority of this section shall be
credited to the declining enrollment fund of the district. The proceeds from
the tax levied by a district credited to the declining enrollment fund 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.
(f) In determining the amount produced by the tax levied by the
district under authority of this section, the state board shall include any
moneys which have been apportioned to the declining enrollment fund of
the district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
and 79-5118 et seq., and amendments thereto.
Sec. 4. K.S.A. 2010 Supp. 72-8254 is hereby amended to read as
follows: 72-8254. In order to achieve uniform reporting of expenditures by
school districts in school district budgets, districts shall report
expenditures in the manner required by the state board.
(a) This section shall be known and may be cited as the Kansas
uniform financial accounting and reporting act.
(b) As used in this section:
(1) "Reporting system" means the uniform reporting system,
including a uniform chart of accounts, developed by the state board as
required by this section.
(2) "School district" means any school district in the state.
(3) "State board" means the state board of education.
(c) The state board shall develop and maintain a uniform reporting
system for the receipts and expenditures of school districts. The
accounting records maintained by each school district shall be
coordinated with the uniform reporting system. Each school district shall
record the receipts and expenditures of the district in accordance with a
uniform classification of accounts or chart of accounts and reports as
shall be prescribed by the state board. Each school district shall submit
such reports and statements as may be required by the state board. The
state board shall design, revise and direct the use of accounting records
and fiscal procedures and prescribe uniform classifications for receipts
and expenditures for all school districts. The reporting system shall
include budgetary and proprietary (real) accounts. The state board shall
prescribe the necessary forms to be used by school districts in connection
with such uniform reporting system.

(d) The reporting system developed by the state board shall be
developed in such a manner that allows school districts to record and
report any information required by state or federal law.

(e) The reporting system shall provide records showing by funds,
accounts and other pertinent classifications, the amounts appropriated,
the estimated revenues, actual revenues or receipts, the amounts available
for expenditure, the total expenditures, the unliquidated obligations, actual
balances on hand and the unencumbered balances of allotments or
appropriations for each school district.

(f) The reporting system shall allow a person to search the data and
allow for the comparison of data by school district.

(g) As part of the uniform reporting system established pursuant to
this section, each school district shall annually submit a report to the state
board on the receipts and expenditures of the activity fund accounts and
the construction fund accounts of such school district. Such report shall be
submitted in a form and manner prescribed by the state board in
accordance with the provisions of this section.

(h) From and after July 1, 2012, the board of education of each
school district shall record and report the receipts and expenditures of the
district in the manner prescribed by the state board in accordance with
this section.

(i) Each school district shall annually publish on such district's
internet website a copy of form 150, estimated legal maximum general
fund budget, or any successor document containing the same or similar
information, that was submitted by such district to the state board of
education for the immediately preceding school year. A copy of such
document shall also be annually published by the department of education
on its internet website. Publications pursuant to this subsection shall be
conducted in such manner as to make the document readily accessible to
the public.

(j) The department of education shall annually publish on its internet
website the following expenditures for each school district on a per pupil
basis: (1) Total expenditures; (2) capital outlay expenditures; (3) bond and
interest expenditures; and (4) all other expenditures not included in (2) or
(3).

Sec. 4. K.S.A. 2010 Supp. 72-6441, 72-6449, and 72-6451 and 72-
8254 are hereby repealed.
Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.