AN ACT concerning school districts; relating to the statewide levy for public schools and the exemption therefrom school finance; amending K.S.A. 72-6444 and K.S.A. 2012 Supp. 72-978, 72-6409, 72-6410, 72-6415b, 72-6431, 72-6433, 72-6433d, 72-6434, 72-6435, 72-6441, 72-6449, 72-6451, 72-6456 and 79-201x and repealing the existing sections; also repealing K.S.A. 2012 Supp. 72-978a.

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

Section 1. K.S.A. 2012 Supp. 72-978 is hereby amended to read as follows: 72-978. (a) Each year, the state board of education shall determine the amount of state aid for the provision of special education and related services each school district shall receive for the ensuing school year. The amount of such state aid shall be computed by the state board as provided in this section. The state board shall:

1. Determine the total amount of general fund and local--option operating budgets of all school districts;
2. Subtract from the amount determined in paragraph (1) the total amount attributable to assignment of transportation weighting, program weighting, special education weighting and at-risk pupil weighting to enrollment of all school districts;
3. Divide the remainder obtained in paragraph (2) by the total number of full-time equivalent pupils enrolled in all school districts on September 20;
4. Determine the total full-time equivalent enrollment of exceptional children receiving special education and related services provided by all school districts;
5. Multiply the amount of the quotient obtained in paragraph (3) by the full-time equivalent enrollment determined in paragraph (4);
6. Determine the amount of federal funds received by all school districts for the provision of special education and related services;
7. Determine the amount of revenue received by all school districts rendered under contracts with the state institutions for the provisions of special education and related services by the state institution;
8. Add the amounts determined under paragraphs (6) and (7) to the amount of the product obtained under paragraph (5);
determine the total amount of expenditures of all school districts for the provision of special education and related services;
subtract the amount of the sum obtained under paragraph (8) from the amount determined under paragraph (9); and
multiply the remainder obtained under paragraph (10) by 92%.
The computed amount is the amount of state aid for the provision of special education and related services aid a school district is entitled to receive for the ensuing school year.
(b) Each school district shall be entitled to receive:
(1) Reimbursement for actual travel allowances paid to special teachers at not to exceed the rate specified under K.S.A. 75-3203, and amendments thereto, for each mile actually traveled during the school year in connection with duties in providing special education or related services for exceptional children; such reimbursement shall be computed by the state board by ascertaining the actual travel allowances paid to special teachers by the school district for the school year and shall be in an amount equal to 80% of such actual travel allowances;
(2) reimbursement in an amount equal to 80% of the actual travel expenses incurred for providing transportation for exceptional children to special education or related services; such reimbursement shall not be paid if such child has been counted in determining the transportation weighting of the district under the provisions of the school district finance and quality performance act;
(3) reimbursement in an amount equal to 80% of the actual expenses incurred for the maintenance of an exceptional child at some place other than the residence of such child for the purpose of providing special education or related services; such reimbursement shall not exceed $600 per exceptional child per school year; and
(4) (A) except for those school districts entitled to receive reimbursement under subsection (c) or (d), after subtracting the amounts of reimbursement under paragraphs (1), (2) and (3) of this subsection (a) from the total amount appropriated for special education and related services under this act, an amount which bears the same proportion to the remaining amount appropriated as the number of full-time equivalent special teachers who are qualified to provide special education or related services to exceptional children and are employed by the school district for approved special education or related services bears to the total number of such qualified full-time equivalent special teachers employed by all school districts for approved special education or related services.
(B) Each special teacher who is qualified to assist in the provision
of special education or related services to exceptional children shall be
counted as \( \frac{2}{5} \) full-time equivalent special teacher who is qualified to
provide special education or related services to exceptional children.

(C) For purposes of this paragraph (4), a special teacher, qualified to
assist in the provision of special education and related services to
exceptional children, who assists in providing special education and
related services to exceptional children at either the state school for the
blind or the state school for the deaf and whose services are paid for by a
school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments
thereto, shall be considered a special teacher of such school district.

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

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

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

Sec. 2. K.S.A. 2012 Supp. 72-6409 is hereby amended to read as
follows: 72-6409. (a) "General fund" means the fund of a district from
which operating expenses are paid and in which is deposited the
proceeds from the tax levied under K.S.A. 72-6431, and amendments
thereto, all amounts of general state aid under this act, payments
under K.S.A. 72-7105a, and amendments thereto, amounts transferred
from the supplemental general fund to the general fund of a district in
accordance with subsection (j)(5) of K.S.A. 72-6433, and amendments
thereto, payments of federal funds made available under the provisions
of title I of public law 874, except amounts received for assistance in
cases of major disaster and amounts received under the low-rent
housing program, and such other moneys as are provided by law.

(b) "Operating expenses" means the total expenditures and
lawful transfers from the general fund of a district during a school
year for all purposes, except expenditures for the purposes specified in
K.S.A. 72-6430, and amendments thereto.

(c) "General fund budget" means the amount budgeted for
operating expenses in the general fund of a district.

(d) "Budget per pupil" means the general fund budget of a
district divided by the enrollment of the district.

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

(f) "Categorical fund" means and includes the following funds of
a district: Special education fund, food service fund, driver training
fund, adult education fund, adult supplementary education fund, area
vocational school fund, professional development fund, parent
education program fund, summer program fund, extraordinary school
program fund, and educational excellence grant program fund.

Sec. 3. K.S.A. 2012 Supp. 72-6410 is hereby amended to read as
follows: 72-6410. (a) "State financial aid" means an amount equal to
the product obtained by multiplying base state aid per pupil by the
adjusted enrollment of a district.

(b) (1) "Base state aid per pupil" means an amount of state
financial aid per pupil. Subject to the other provisions of this
subsection, the amount of base state aid per pupil is $4,433 $4,264 in
in school year 2009-2010 2015-2016 and each school year thereafter.

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

(c) "Local effort" means the sum of an amount equal to the proceeds from the tax levied under authority of K.S.A. 72-6431, and amendments thereto, and an amount transferred from the supplemental general fund to the general fund in accordance with subsection (j)(5) of K.S.A. 72-6433, and amendments thereto, and an amount equal to any unexpended and unencumbered balance remaining in the general fund of the district, except amounts received by the district and authorized to be expended for the purposes specified in K.S.A. 72-6430, and amendments thereto, and an amount equal to any unexpended and unencumbered balances remaining in the program weighted funds of the district, except any amount in the vocational education fund of the district if the district is operating an area vocational school, and an amount equal to any remaining proceeds from taxes levied under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto, prior to the repeal of such statutory sections, and an amount equal to the amount deposited in the general fund in the current school year from amounts received in such year by the district under the provisions of subsection (a) of K.S.A. 72-1046a, and amendments thereto, and an amount equal to the amount deposited in the general fund in the current school year from amounts received in such year by the district pursuant to contracts made and entered into under authority of K.S.A. 72-6757, and amendments thereto, and an amount equal to the amount credited to the general fund in the current school year from amounts distributed in such year to the district under the provisions of articles 17 and 34 of chapter 12 of Kansas Statutes Annotated, and amendments thereto, and under the provisions of articles 42 and 51 of chapter 79 of Kansas Statutes Annotated, and amendments thereto, and an amount equal to the amount of payments received by the district under the provisions of K.S.A. 72-979, and amendments thereto, and an amount equal to the amount of a grant, if any, received by the district under the provisions of K.S.A. 72-983, and amendments thereto, and an amount equal to 70% of the federal impact aid of the district.

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

Sec. 4. K.S.A. 2012 Supp. 72-6415b is hereby amended to read as
follows: 72-6415b. School facilities weighting may be assigned to
enrollment of a district only if the district has adopted a local option
operating budget in an amount equal to at least 25%. 22.5% for school
year 2013-2014 and school year 2014-2015 and 25% for school year
2015-2016 and each school year thereafter of the amount of the state
financial aid determined for the district in the current school year.
School facilities weighting may be assigned to enrollment of the
district only in the school year in which operation of a new school
facility is commenced and in the next succeeding school year.

Section 1. Sec. 5. K.S.A. 2012 Supp. 72-6431 is hereby amended to
read as follows: 72-6431. (a) The board of each district shall levy an ad
valorem tax upon the taxable tangible property of the district in the school
years specified in subsection (b) for the purpose of:
(1) Financing that portion of the district's general fund budget which
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 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 district.
(b) The tax required under subsection (a) shall be levied at a rate of
(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 of
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
district, shall be deposited in the general fund of the district.
(d) On June 6 of each year, the amount, if any, by which a district's
local effort exceeds the amount of the district's state financial aid, as
determined by the state board, shall be remitted to the state treasurer. Upon
receipt of any such remittance, the state treasurer shall deposit the same in
the state treasury to the credit of the state school district finance fund.
(e) No district shall proceed under K.S.A. 79-1964, 79-1964a or 79-
1964b, and amendments thereto.

Sec. 6. K.S.A. 2012 Supp. 72-6433 is hereby amended to read as
follows: 72-6433. (a) As used in this section:

(1) "State prescribed percentage" means 31% 17.9% for school year 2013-2014 and school year 2014-2015 and 31% for school year 2015-2016 and each school year thereafter of state financial aid of the district in the current school year.

(2) "Authorized to adopt a local option operating budget" means that a district has adopted a resolution under this section, has published the same, and either the resolution was not protested or it was protested and an election was held by which the adoption of a local option operating budget was approved.

(b) (1) In each school year 2013-2014 and school year 2014-2015, the board of any district—may shall adopt a local option operating budget which does not exceed the state prescribed percentage, which shall be at least 10% but not more than 17% of the state financial aid of the district in the current school year.

(2) Subject to subsection (i), in school year 2013-2014 and school year 2014-2015, the board of any district may adopt a local operating budget in excess of 17% of the state financial aid of the district in the current school year. Such excess percentage shall be adopted by separate resolution.

(3) In school year 2015-2016 and each school year thereafter, the board of any district may adopt a local operating budget which does not exceed the state prescribed percentage.

(c) Subject to the limitation of subsection (b), in each school year, the board of any district may adopt, by resolution, a local operating budget in an amount shall not exceed:

(1) (A) The amount which the board was authorized to adopt in accordance with the provisions of this section in effect prior to its amendment by this act; plus

(B) the amount which the board was authorized to adopt pursuant to any resolution currently in effect; plus

(C) the amount which the board was authorized to adopt pursuant to K.S.A. 72-6444, and amendments thereto, if applicable to the district; or

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

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

(d) If the board of a district desires to increase its local option operating budget authority above the amount authorized under subsection (c) or if the board was not authorized to adopt a local option operating budget authority, the board shall adopt a resolution setting forth the amount of the increase, the manner of authorizing the funds for the purpose, the amount of any excess, if any, and the manner of authorizing the funds for the purpose, and any other conditions that the board deems necessary. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.
option budget in 2006-2007, the board may adopt, by resolution, such
budget in an amount not to exceed the state prescribed percentage.
The adoption of a resolution pursuant to this subsection shall require
a majority vote of the members of the board. The resolution shall be
published at least once in a newspaper having general circulation in
the district. 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 adopt a local option operating budget in each school year
in an amount not to exceed ____% of the amount of state financial aid.
The local option operating budget authorized by this resolution may be
adopted, 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 publication of this resolution. If a petition is filed, the
county election officer shall submit the question of whether adoption
of the local option operating budget shall be authorized to the electors
of the school district at an election called for the purpose or at the next
general election, 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 __________,
________.

Clerk of the board of education.

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
operating 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 operating
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.

(e) Any resolution authorizing the adoption of a local option budget
in excess of 30% of the state financial aid of the district in the current school year adopted under subsection (b)(2) or (b)(3) shall not become effective unless such resolution specifying the excess percentage 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.

(f) Unless specifically stated otherwise in the resolution, the authority to adopt a local option budget shall be continuous and permanent. The board of any district which is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any district whose authority to adopt a local option budget is not continuous and permanent refrains from adopting a local option budget, the authority of such district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the resolution authorizing adoption of such budget.

(g) The board of any district may initiate procedures to renew or increase the authority to adopt a local option operating budget at any time during a school year after the tax levied pursuant to K.S.A. 72-6435, and amendments thereto, is certified to the county clerk under any existing authorization.

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

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

(j) (1) There is hereby established in every district that adopts a local option budget a fund which shall be called the supplemental general fund. The fund shall consist of all amounts deposited therein or credited thereto according to law.
(2) Subject to the limitation imposed under paragraphs (3) and (5) and subsection (e) of K.S.A. 72-6434, and amendments thereto, amounts in the supplemental general fund may be expended for any purpose for which expenditures from the general fund are authorized or may be transferred to any program weighted fund or categorical fund of the district. Amounts in the supplemental general fund attributable to any percentage over 25% of state financial aid determined for the current school year may be transferred to the capital improvements fund of the district and the capital outlay fund of the district if such transfers are specified in the resolution authorizing the adoption of a local option operating budget in excess of 25%.

(3) Amounts in the supplemental general fund may not be expended for the purpose of making payments under any lease-purchase agreement involving the acquisition of land or buildings which is entered into pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

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

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

(5) (A) An amount equal to the product obtained by multiplying 10% of the base state aid per pupil by the adjusted enrollment of the district shall be transferred to the general fund of the district. Such amount shall be expended in the following manner and order of priority:

(i) (a) An amount equal to 10% of the state financial aid of the district directly attributable to at-risk pupils under K.S.A. 72-6414, and amendments thereto, and K.S.A. 2012 Supp. 72-6455 and 72-6459, and amendments thereto, shall be expended for at-risk assistance or programs in the district; and

(b) an amount equal to 10% of the state financial aid of the district directly attributable to bilingual education under subsection (a)(1) of K.S.A. 72-6413, and amendments thereto, shall be expended for bilingual
education programs in the district; and 
(ii) the remainder of such moneys, if any, shall be expended for 
general operating expenses.
(B) For the purposes of determining the total amount of state moneys 
paid to school districts, all moneys transferred under this paragraph shall 
be deemed to be state moneys for educational and support services for 
school districts.
(C) This paragraph shall expire on June 30, 2015.
(k) Each year the state board of education shall determine the 
statewide average percentage of local–option operating budgets legally 
adopted by school districts for the preceding school year.
(l) For the purposes of this section, the term "local operating budget" 
means "local option budget" as that term was used prior to the 
amendment of this section by this act.
(4) (m) The provisions of this section shall be subject to the 
Sec. 7. K.S.A. 2012 Supp. 72-6433d is hereby amended to read as 
follows: 72-6433d. (a) (1) The provisions of this subsection shall apply 
in any school year in which the amount of base state aid per pupil is 
$4,433 or less.
(2) The board of any school district may adopt a local–option 
operating budget which does not exceed the local–option operating 
budget calculated as if the base state aid per pupil was $4,433 $4,926, 
or which does not exceed the local–option operating budget as 
calculated pursuant to K.S.A. 72-6433, and amendments thereto, 
whichever is greater.
(b) The board of any school district may adopt a 
local option operating budget which does not exceed the local–option 
operating budget calculated as if the district received state aid for 
special education and related services equal to the amount of state aid 
for special education and related services received in school year 2008-
2009, or which does not exceed the local–option operating budget as 
calculated pursuant to K.S.A. 72-6433, and amendments thereto, 
whichever is greater.
(c) The board of education of any school district may exercise the 
authority granted under subsection (a) or (b) or both subsections (a) 
and (b).
(d) To the extent that the provisions of K.S.A. 72-6433, and 
amendments thereto, conflict with this section, this section shall 
control.
(e) The provisions of this section shall expire on June 30, 2014.
Sec. 8. K.S.A. 2012 Supp. 72-6434 is hereby amended to read as 
follows: 72-6434. (a) In each school year, each district that has adopted
a local-option operating budget is eligible for entitlement to an amount of supplemental general state aid. Except as provided by K.S.A. 2012 Supp. 72-6434b, and amendments thereto, entitlement of a district to supplemental general state aid shall be determined by the state board as provided in this subsection. The state board shall:

1. Determine the amount of the assessed valuation per pupil in the preceding school year of each district in the state;
2. Rank the districts from low to high on the basis of the amounts of assessed valuation per pupil determined under (1);
3. Identify the amount of the assessed valuation per pupil located at the 81.2 percentile of the amounts ranked under (2);
4. Divide the assessed valuation per pupil of the district in the preceding school year by the amount identified under (3);
5. Subtract the ratio obtained under (4) from 1.0. If the resulting ratio equals or exceeds 1.0, the eligibility of the district for entitlement to supplemental general state aid shall lapse. If the resulting ratio is less than 1.0, the district is entitled to receive supplemental general state aid in an amount which shall be determined by the state board by multiplying the amount of the local-option operating budget of the district by such ratio. The product is the amount of supplemental general state aid the district is entitled to receive for the school year.

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

(c) The state board shall prescribe the dates upon which the distribution of payments of supplemental general state aid to school districts shall be due. Payments of supplemental general state aid shall be distributed to districts on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due each district, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the district. Upon receipt of the warrant, the treasurer of the district shall credit the amount thereof to the supplemental general fund of the district to be used for the purposes of such fund.

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

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

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

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

Sec. 9. K.S.A. 2012 Supp. 72-6435 is hereby amended to read as
follows: 72-6435. (a) In each school year, the board of every district
that has adopted a local option budget may shall levy an ad valorem tax
on the taxable tangible property of the district for the purpose of: (1)
Financing that portion of the district's local option operating budget
which is not financed from any other source provided by law; (2)
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
district; and (3) funding transfers to the capital improvement fund of
the district and the capital outlay fund of the district if such transfers
are specified in the resolution authorizing the adoption of a local
option operating budget in excess of 25% of state financial aid
determined for the current school year.

(b) The proceeds from the tax levied by a district under authority
of this section, except the proceeds of such tax levied for the purpose
of 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 district, shall be deposited in the supplemental general fund of the
district.

(c) No district shall proceed under K.S.A. 79-1964, 79-1964a or
79-1964b, and amendments to such sections.

Sec. 10. K.S.A. 2012 Supp. 72-6441 is hereby amended to read as
follows: 72-6441. (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 operating budget which is at least equal to that amount required to qualify for school facilities weighting under K.S.A. 2012 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; (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; (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 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.

Sec. 11. K.S.A. 72-6444 is hereby amended to read as follows: 72-6444. (a) In each school year, commencing with the 1997-98 school year, the state board shall compute a district prescribed percentage for the purpose of determining the amount of a local option operating budget the board of a district to which the provisions of this section apply may adopt for the school year. The district prescribed
percentage for each district to which the provisions of this section
apply shall be computed by the state board as provided in this section.
The state board shall:

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

(2) compute the average amount per pupil for the preceding
school year of general fund budgets and local-option operating budgets
of districts with 75-125 enrollment in such school year;

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

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

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

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

(7) for districts with 0-99.9 enrollment, compare the amount
determined for the district under (1) to the average amount computed
under (2). If the amount determined under (1) is equal to or greater
than the average amount computed under (2), the provisions of this
section do not apply to the district. If the amount determined under
(1) is less than the average amount computed under (2), subtract the
amount determined under (1) from the amount computed under (2),
multiply the remainder by enrollment of the district in the preceding
school year, and divide the product by the amount of state financial
aid determined for the district in the preceding school year. The
quotient is the district prescribed percentage of the district;

(8) for districts with 100-299.9 enrollment, compare the amount
determined for the district under (1) to the average amount computed
under (5). If the amount determined under (1) is equal to or greater
than the average amount computed under (5), the provisions of this section do not apply to the district. If the amount determined under (1) is less than the average amount computed under (5), subtract the amount determined under (1) from the amount computed under (5), multiply the remainder by enrollment of the district in the preceding school year, and divide the product by the amount of state financial aid determined for the district in the preceding school year. The quotient is the district prescribed percentage of the district;

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

(10) for districts with 1,800 or over enrollment, compare the amount determined for the district under (1) to the average amount computed under (4). If the amount determined under (1) is equal to or greater than the average amount computed under (4), the provisions of this section do not apply to the district. If the amount determined under (1) is less than the average amount computed under (4), subtract the amount determined under (1) from the amount computed under (4), multiply the remainder by enrollment of the district in the preceding school year, and divide the product by the amount of state financial aid determined for the district in the preceding school year. The quotient is the district prescribed percentage of the district.

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

(c) For the purposes of this section, the term "local operating budget" means "local option budget" as that term was used prior to the amendment of this section by this act.

Sec. 12. K.S.A. 2012 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 thereto 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 operating 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 operating 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. 13. K.S.A. 2012 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—
operating budget in an amount which equals at least 31% 17.9% for
school year 2013-2014 and school year 2014-2015 and 31% for school
year 2015-2016 and each school year thereafter 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—operating budget in an amount equal to the state
(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. 14. K.S.A. 2012 Supp. 72-6456 is hereby amended to read as follows: 72-6456. (a) For the purpose of determining the general fund budget of a school district, weightings shall not be assigned to a pupil enrolled in and attending KAMS.

(b) Moneys in the general fund which are attributable to a pupil enrolled in and attending KAMS shall not be included in the computation of the local option operating budget of the school district.

(c) The provisions of this section shall be part of and supplemental to the school district finance and quality performance act.

Sec. 15. K.S.A. 2012 Supp. 79-201x is hereby amended to read as follows: 79-201x. For taxable years 2011, 2013 and 2014, 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. 72-6431, and amendments thereto: Property used for residential purposes to the extent of $20,000 of its appraised valuation.
Sec. 16. K.S.A. 72-6444 and K.S.A. 2012 Supp. 72-978, 72-978a, 72-6409, 72-6410, 72-6415b, 72-6431, 72-6433, 72-6433d, 72-6434, 72-6435, 72-6441, 72-6449, 72-6451, 72-6456 and 79-201x are hereby repealed.

Sec. 17. This act shall take effect and be in force from and after its publication in the statute book.