AN ACT concerning education; relating to the financing thereof; making
and concerning appropriations for the fiscal years ending June 30, 2018
and June 30, 2019, for the department of education; creating the
education finance act; amending K.S.A. 12-17,115 and 72-8803 and
K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a,
72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-
3715, 72-5333b, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-
6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-
8233, 72-8236, 72-8237, 72-8249, 72-8250, 72-8251, 72-8302, 72-
8309, 72-8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-
9609, 72-99a02, 74-4939a, 74-8925, 74-99b43, 75-2319, 79-201x, 79-
213, 79-2001 and 79-2925b and repealing the existing sections; also

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, 2018, the following:

Operating expenditures (including official
hospitality) (652-00-1000-0053).................................$12,515,606

Provided, That any unencumbered balance in the operating expenditures
(including official hospitality) account in excess of $100 as of June 30,
2017, is hereby reappropriated for fiscal year 2018.

Special education services aid (652-00-1000-0700).........$437,680,455

Provided, That any unencumbered balance in the special education
services aid account in excess of $100 as of June 30, 2017, is hereby
reappropriated for fiscal year 2018: 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. 72-983, 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 proviso, for payments to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-978, and amendments thereto. General state aid (652-00-1000-0820)...............................$2,085,179,877 Provided, That any unencumbered balance in the general state aid account in excess of $100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018. Supplemental general state aid (652-00-1000-0840).............$470,625,852 Provided, That any unencumbered balance in the supplemental general state aid account in excess of $100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018. Information technology education opportunities (652-00-1000-0600) ...........................................................................................................$500,000 Kansas reading success program (652-00-1000-0070)..........$2,100,000 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 2018, 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 two 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: And provided further, That during the fiscal year ending June 30, 2018, expenditures shall be made by the above agency from the discretionary grants fund for fiscal year 2018 to establish a pilot program for communities in schools programming in three school districts in Kansas: And provided further, That communities in schools shall conduct an outcomes based study of its programming during fiscal year 2018: And provided further, That the Kansas department of education is hereby authorized and directed to provide to communities in schools such student or other data as shall be necessary to permit communities in schools to conduct such study of outcomes regarding the students assisted with such communities in schools programming: And provided further, That such data shall include data regarding demographically similar students at peer institutions not involved in communities in schools programs, to permit the research study to compare outcomes of students receiving communities in schools services versus
students not receiving such services: And provided further, That upon
providing the Kansas department of education with the names of students
participating in the communities in schools program, the Kansas
department of education shall provide the current status of students
identified as participating in the program.

School food assistance (652-00-1000-0320)..........................................$2,510,486
School safety hotline (652-00-1000-0230)..............................................$10,000

Provided, That any unencumbered balance in the KPERS – employer
contributions account in excess of $100 as of June 30, 2017, is hereby
reappropriated for fiscal year 2018: Provided further, That all expenditures
from the KPERS – employer contributions 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.

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 center grants (652-00-1000-0290).................................................$4,771,500

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, 2017, is hereby reappropriated for fiscal year 2018:
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. 72-8187, and amendments
thereto.

Governor's teaching excellence scholarships and awards (652-00-1000-
0770).......................................................................................................$327,500

Provided, That any unencumbered balance in the governor's teaching
excellence scholarships and awards account in excess of $100 as of June
30, 2017, is hereby reappropriated for fiscal year 2018: 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. 72-1398, 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).

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2018, 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. 72-6761, and amendments thereto.

Mineral production education fund (652-00-7669-7669).........................No limit
School district capital outlay state aid fund..................................................No limit
Conversion of materials and equipment fund..............................................No limit
State safety fund (652-00-2538-2030)..........................................................No limit
School bus safety fund (652-00-2532-2300)...............................................No limit
Motorcycle safety fund (652-00-2633-2050)..............................................No limit
Federal indirect cost reimbursement fund (652-00-2312-2200)..............No limit
Teacher and administrator fee fund (652-00-2728-2700)......................No limit
Food assistance – federal fund (652-00-3230-3020).................................No limit
Food assistance – school breakfast program – federal fund (652-00-3529-3490).........................................................No limit
Food assistance – national school lunch program – federal fund (652-00-3530-3500).........................................................No limit
Food assistance – child and adult care food program – federal fund (652-00-3531-3510).........................................................No limit
Community-based child abuse prevention – federal fund (652-00-3319-7400).........................................................No limit
Family and children investment fund (652-00-7375)............................No limit
Elementary and secondary school aid – federal fund (652-00-3240-3060).........................................................No limit
Educationally deprived children – state operations – federal fund (652-00-3131-3130).........................................................No limit
Elementary and secondary school – educationally deprived children – LEA’s fund (652-00-3532-3520).................................No limit
ESEA chapter II – state operations – federal fund (652-00-3132-3140).....No limit
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

Provided, That all expenditures from the governor's teaching excellence scholarships program repayment fund shall be made in accordance with K.S.A. 72-1398, 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.

Elementary and secondary school aid – federal fund –

reading first – state operations (652-00-3525-3850)..................No limit
State grants for improving teacher quality –
    federal fund (652-00-3526-3860)..............................................No limit
State grants for improving teacher quality – federal fund –
    state operations (652-00-3527-3870)..............................................No limit
21st century community learning centers – federal
    fund (652-00-3519-3890)..........................................................No limit
State assessments – federal fund (652-00-3520-3800)..........................No limit
Rural and low-income schools program –
    federal fund (652-00-3521-3810)..........................................................No limit
TANF children's programs – federal
    fund (652-00-3323-0530)..........................................................No limit
ESSA – student support academic enrichment – federal fund........No limit
Language assistance state grants – federal
    fund (652-00-3522-3820)..........................................................No limit
Service clearing fund (652-00-2869-2800)........................................No limit
Helping schools license plate program
    fund (652-00-2606-2600)..........................................................No limit
General state aid transportation weighting –
    state highway fund (652-00-2222-2222)............................................No limit
Provided, That on July 1, 2017, October 1, 2017, January 1, 2018, and April 1, 2018, the director of accounts and reports shall transfer $24,150,000 from the state highway fund of the department of transportation to the general state aid transportation weighting – state highway fund of the department of education.
Special education transportation weighting – state
    highway fund (652-00-2223-2223)............................................No limit
Provided, That on July 1, 2017, October 1, 2017, January 1, 2018, and April 1, 2018, the director of accounts and reports shall transfer $2,500,000 from the state highway fund of the department of transportation to the special education transportation weighting – state highway fund of the department of education.
Career and technical education transportation –

state highway fund (652-00-2139-2139).................................No limit

Provided, That on July 1, 2017, the director of accounts and reports shall transfer $650,000 from the state highway fund of the department of transportation to the career and technical education transportation – state highway fund of the department of education.

Educational technology coordinator fund (652-00-2157-2157)........No limit

Provided, That expenditures shall be made by the above agency for the fiscal year ending June 30, 2018, 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 2018 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, 2018, the following:

Pre-K program..............................................................................$4,799,812

Parent education program.........................................................$7,237,635

Provided, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount which is equal to not less than 65% of the grant.

(d) On July 1, 2017, 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 of the Kansas department for children and families to the communities in schools program fund of the department of education.

(e) On March 30, 2018, 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 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 June 30, 2018, 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 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.

(g) On July 1, 2017, and quarterly thereafter, the director of accounts
and reports shall transfer $56,250 from the state highway fund of the
department of transportation to the school bus safety fund of the
department of education.

(h) On July 1, 2017, the director of accounts and reports shall transfer
an amount certified by the commissioner of education from the motorcycle
safety fund of the department of education to the motorcycle safety fund 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.

(i) There is appropriated for the above agency from the expanded
lottery act revenues fund for the fiscal year ending June 30, 2018, the
following:
KPERS – non-school employer contribution..........................$35,430,948

(j) On July 1, 2017, or as soon thereafter as moneys are available, the
director of accounts and reports shall transfer $89,323 from the USAC E-
rate program federal fund of the state board of regents to the education
technology coordinator fund 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 2018.

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, 2019, the following:
Operating expenditures (including official
hospitality) (652-00-1000-0053)..........................................$12,585,839
*Provided,* That any unencumbered balance in the operating expenditures
(including official hospitality) account in excess of $100 as of June 30,
General state aid (652-00-1000-0820)............................$1,893,387,062
Provided, That any unencumbered balance in the general state aid account in excess of $100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

Supplemental general state aid (652-00-1000-0840)...............$470,625,852
Provided, That any unencumbered balance in the supplemental general state aid account in excess of $100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019.

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

Kansas reading success program (652-00-1000-0070).............$2,100,000
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 2019, 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 two 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: And provided further, That during the fiscal year ending June 30, 2019, expenditures shall be made by the above
agency from the discretionary grants fund for fiscal year 2019 to establish
a pilot program for communities in schools programming in three school
districts in Kansas: And provided further; That communities in schools
shall conduct an outcomes based study of its programming during fiscal
year 2019: And provided further; That the Kansas department of education
is hereby authorized and directed to provide to communities in schools
such student or other data as shall be necessary to permit communities in
schools to conduct such study of outcomes regarding the students assisted
with such communities in schools programming: And provided further;
That such data shall include data regarding demographically similar
students at peer institutions not involved in communities in schools
programs, to permit the research study to compare outcomes of students
receiving communities in schools services versus students not receiving
such services: And provided further; That upon providing the Kansas
department of education with the names of students participating in the
communities in schools program, the Kansas department of education shall
provide the current status of students identified as participating in the
program.

School food assistance (652-00-1000-0320)...............................$2,510,486
School safety hotline (652-00-1000-0230)...............................$10,000
KPERS – employer contributions – USDs...............................$421,856,124
KPERS – employer contributions (652-00-1000-0100)...............$31,538,101
Provided, That any unencumbered balance in the KPERS – employer
contributions account in excess of $100 as of June 30, 2018, is hereby
reappropriated for fiscal year 2019: Provided further; That all expenditures
from the KPERS – employer contributions 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.

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 center grants (652-00-1000-0290).................................$4,771,500
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, 2018, is hereby reappropriated for fiscal year 2019:
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. 72-8187, and amendments
thereto.
Governor's teaching excellence scholarships and awards (652-00-1000-0770)...........................................................................................................................................$327,500

Provided, That any unencumbered balance in the governor's teaching excellence scholarships and awards account in excess of $100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019: 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. 72-1398, 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).

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2019, 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. 72-6761, and amendments thereto.
Mineral production education fund (652-00-7669-7669)...............No limit
School district capital outlay state aid fund............................No limit
Conversion of materials and equipment fund...........................No limit
State safety fund (652-00-2538-2030)........................................No limit
School bus safety fund (652-00-2532-2300)..............................No limit
Motorcycle safety fund (652-00-2633-2050)..............................No limit
Federal indirect cost reimbursement fund (652-00-2312-2200)......No limit
Teacher and administrator fee fund (652-00-2728-2700).............No limit
Food assistance – federal fund (652-00-3230-3020)....................No limit
Food assistance – school breakfast program –
  federal fund (652-00-3529-3490).............................................No limit
Food assistance – national school lunch program –
  federal fund (652-00-3530-3500).............................................No limit
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

Provided, That all expenditures from the governor's teaching excellence scholarships program repayment fund shall be made in accordance with K.S.A. 72-1398, and amendments thereto: Provided further, That 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 –

Provided, That on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, the director of accounts and reports shall transfer...
$24,150,000 from the state highway fund of the department of transportation to the general state aid transportation weighting – state highway fund of the department of education.

Special education transportation weighting – state highway fund (652-00-2223-2223) ............................................ No limit

*Provided*, That on July 1, 2018, October 1, 2018, January 1, 2019, and April 1, 2019, the director of accounts and reports shall transfer $2,500,000 from the state highway fund of the department of transportation to the special education transportation weighting – state highway fund of the department of education.

Career and technical education transportation – state highway fund (652-00-2139-2139) .................................... No limit

*Provided*, That on July 1, 2018, the director of accounts and reports shall transfer $650,000 from the state highway fund of the department of transportation to the career and technical education transportation – state highway fund of the department of education.

Educational technology coordinator fund (652-00-2157-2157) ............................................. No limit

*Provided*, That expenditures shall be made by the above agency for the fiscal year ending June 30, 2019, 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 2019 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, 2019, the following:

- Pre-K program .............................................. $4,799,812
- Parent education program ................................ $7,237,635

*Provided*, That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount which is equal to not less than 65% of the grant.

(d) On July 1, 2018, 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 of the Kansas department for children and families to the communities in schools program fund of the department of education.

(e) On March 30, 2019, 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 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 June 30, 2019, 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 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.

(g) On July 1, 2018, and quarterly thereafter, the director of accounts and reports shall transfer $56,250 from the state highway fund of the department of transportation to the school bus safety fund of the department of education.

(h) On July 1, 2018, the director of accounts and reports shall transfer an amount certified by the commissioner of education from the motorcycle safety fund of the department of education to the motorcycle safety fund 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.

(i) There is appropriated for the above agency from the expanded lottery act revenues fund for the fiscal year ending June 30, 2019, the following:

KPERS – non-school employer contribution........................................$35,430,948

(j) On July 1, 2018, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer $89,323 from the USAC E-rate program federal fund of the state board of regents to the education technology coordinator fund 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 2019.

New Sec. 3. Sections 3 through 46, and amendments thereto, shall be
known and may be cited as the education finance act.

New Sec. 4. As used in the education finance act, section 3 et seq.,
and amendments thereto:

(a) "Adjusted enrollment" means enrollment adjusted by adding the
following weightings, if any, to the enrollment of the school district: Low-
income student weighting; program weighting; low enrollment weighting;
high-density low-income student weighting; high enrollment weighting;
declining enrollment weighting; school facilities weighting; ancillary
school facilities weighting; cost-of-living weighting; special education and
related services weighting; and transportation weighting.

(b) "Ancillary school facilities weighting" means an addend
component assigned to the enrollment of school districts to which the
provisions of section 31, and amendments thereto, apply on the basis of
costs attributable to commencing operation of new school facilities.

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

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

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

(f) "Cost-of-living weighting" means an addend component assigned
to the enrollment of school districts to which the provisions of section 32,
and amendments thereto, apply on the basis of costs attributable to the cost
of living in the school district.

(g) "Current school year" means the school year during which general
state aid is determined by the state board under section 6, and amendments
thereto.

(h) "Declining enrollment weighting" means an addend component
assigned to the enrollment of school districts to which the provisions of
section 33, and amendments thereto, apply on the basis of reduced
revenues attributable to the declining enrollment of the school district.

(i) "Enrollment" means:

(1) The number of students regularly enrolled in the school district on
September 20 of the preceding school year, except a student who is a
foreign exchange student shall not be counted unless such student is
regularly enrolled in the school district on September 20 and attending
kindergarten or any of the grades one through 12 maintained by the school
district for at least one semester or two quarters, or the equivalent thereof.
(2) If the enrollment in a school district in any school year has
decreased from enrollment in the second preceding school year, the
enrollment of the school district in the current school year means
whichever is the greater of:
(A) The sum of:
   (i) The enrollment in the second preceding school year, excluding
   students under subsection (2)(A)(ii), minus enrollment in such school year
   of preschool-aged low-income students, if any, plus enrollment in the
   preceding school year of preschool-aged low-income students, if any; and
   (ii) the adjusted enrollment in the second preceding school year of
   any students participating in the tax credit for low-income students
   scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et seq., and
   amendments thereto, in the preceding school year, if any, plus the adjusted
   enrollment in the second preceding school year of preschool-aged low-
   income students who are participating in the tax credit for low-income
   students scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 et
   seq., and amendments thereto, in the preceding school year, if any; or
   (B) the sum of the enrollment in the preceding school year of
   preschool-aged low-income students, if any, and the arithmetic mean of the
   sum of:
      (i) The enrollment of the school district in the preceding school year
      minus the enrollment in such school year of preschool-aged low-income
      students, if any;
      (ii) the enrollment in the second preceding school year minus the
      enrollment in such school year of preschool-aged low-income students, if
      any; and
      (iii) the enrollment in the third preceding school year minus the
      enrollment in such school year of preschool-aged low-income students, if
      any.
(3) The enrollment of a school district shall be adjusted pursuant to
section 10 or 11, and amendments thereto, as applicable.
(j) "February 20" has its usual meaning, except that in any year in
which February 20 is not a day on which school is maintained, it means
the first day after February 20 on which school is maintained.
(k) "Federal impact aid" means an amount equal to the federally
qualified percentage of the amount of moneys a school 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
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.

(l) (1) Except as provided in subsection (l)(2), "foundation state aid per student" means an amount appropriated by the legislature in a fiscal year for the designated year. The amount of foundation state aid per student shall be as follows:

(A) For school year 2017-2018, $4,253;
(B) for school year 2018-2019, $4,467;
(C) for school year 2019-2020, $4,681; and
(D) for school year 2020-2021, $4,895.

(2) Commencing in school year 2021-2022, and every other school year thereafter, the foundation state aid per student shall increase by an amount equal to the percentage increase in the consumer price index for all urban consumers in the midwest region as published by the bureau of labor statistics of the United States department of labor during the second preceding school year.

(m) "General fund" means the fund of a school district from which operating expenses are paid and in which is deposited the proceeds from the tax levied under section 14, and amendments thereto, all amounts of general state aid provided under this act, payments under K.S.A. 72-7105a, 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.

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

(o) "High-density low-income student weighting" means an addend component assigned to the enrollment of school districts to which the provisions of section 27, and amendments thereto, apply.

(p) "High enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to section 22, and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(q) "Juvenile detention facility" has the same meaning as defined in K.S.A. 72-8187, and amendments thereto.

(r) "Low enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to section 21, and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(s) (1) "Low-income student" means a student who is eligible for free meals under the national school lunch act, and who is enrolled in a school district that maintains an approved at-risk student assistance program.

(2) The term "low-income student" shall not include any student enrolled in any of the grades one through 12 who is in attendance less than
full time, or any student who is over 19 years of age. The provisions of this paragraph shall not apply to any student who has an individualized education program.

(t) "Low-income student weighting" means an addend component assigned to the enrollment of school districts pursuant to section 26, and amendments thereto.

(u) "Operating expenses" means the total expenditures and lawful transfers from the general fund of a school district during a school year for all purposes, except expenditures for the purposes specified in section 41, and amendments thereto.

(v) "Preceding school year" means the school year immediately before the current school year.

(w) "Preschool-aged low-income student" means a low-income student who has attained the age of four years, is under the age of eligibility for attendance at kindergarten, and has been selected by the state board in accordance with guidelines consonant with guidelines governing the selection of students for participation in head start programs.

(x) "Preschool-aged exceptional children" means exceptional children, except gifted children, who have attained the age of three years but are under the age of eligibility for attendance at kindergarten. The terms "exceptional children" and "gifted children" have the same meaning as those terms are defined in K.S.A. 72-962, and amendments thereto.

(y) "Program weighted fund" means the following funds of a school district: Career technical education fund; preschool-aged at-risk education fund; and bilingual education fund.

(z) "Program weighting" means an addend component assigned to the enrollment of school districts pursuant to section 23, and amendments thereto, on the basis of student attendance in educational programs that differ in cost from regular educational programs.

(aa) "Psychiatric residential treatment facility" has the same meaning as defined in K.S.A. 72-8187, and amendments thereto.

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

(cc) "School facilities weighting" means an addend component assigned to the enrollment of school districts pursuant to section 24, and amendments thereto, on the basis of costs attributable to commencing operation of new school facilities.

(dd) "School financing sources" means the sum of the following amounts:

(1) The amount of the proceeds from the tax levied under the authority of section 14, and amendments thereto;
(2) an amount equal to any unexpended and unencumbered balance remaining in the general fund of the school district, except amounts received by the school district and authorized to be expended for the purposes specified in section 41, and amendments thereto;

(3) 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 their repeal;

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

(5) an amount equal to the amount deposited in the general fund in the current school year from amounts received in such school year by the school district pursuant to contracts made and entered into under authority of K.S.A. 72-6757, and amendments thereto;

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

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

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

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

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

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

(gg) "Special education and related services weighting" means an addend component assigned to the enrollment of school districts pursuant to section 25, and amendments thereto, on the basis of costs attributable to provision of special education and related services for students determined to be exceptional children.

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

(ii) "State financial aid" means an amount equal to the product obtained by multiplying foundation state aid per student by the adjusted enrollment of a school district.

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

(2) (A) The following shall be counted as one student:
   (i) A student in attendance full-time; and
   (ii) except as provided in subsection (jj)(2)(B), a student enrolled in a
school district and attending special education and related services,
provided for by the school district.
   (B) The following shall be counted as 1/2 student:
   (i) A student enrolled in a school district and attending special
education and related services for preschool-aged exceptional children
provided for by the school district; and
   (ii) a preschool-aged low-income student enrolled in a school district
and receiving services under an approved at-risk student assistance plan
maintained by the school district.
   (C) A student in attendance part-time shall be counted as that
proportion of one student (to the nearest 1/10) that the student's attendance
bears to full-time attendance.
   (D) A student enrolled in and attending an institution of
postsecondary education that is authorized under the laws of this state to
award academic degrees shall be counted as one student, if the student's
postsecondary education enrollment and attendance together with the
student's attendance in either of the grades 11 or 12 is at least 5/6 time,
otherwise the student shall be counted as that proportion of one student (to
the nearest 1/10) that the total time of the student's postsecondary education
attendance and attendance in grade 11 or 12, as applicable, bears to full-
time attendance.
   (E) A student enrolled in and attending a technical college, a career
technical education program of a community college or other approved
career technical education program shall be counted as one student, if the
student's career technical education attendance together with the student's
attendance in any of grades nine through 12 is at least 5/6 time, otherwise
the student shall be counted as that proportion of one student (to the
nearest 1/10) that the total time of the student's career technical education
attendance and attendance in any of grades nine through 12 bears to full-
time attendance.
   (F) A student enrolled in a school district and attending a non-virtual
school and also attending a virtual school shall be counted as that
proportion of one student (to the nearest \( \frac{1}{10} \)) that the student's attendance at the non-virtual school bears to full-time attendance.

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

(3) The following shall not be counted:

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

(B) except as provided in subsection (jj)(2), a student confined in and receiving educational services provided for by a school district at a juvenile detention facility; and

(C) a student enrolled in a school district but housed, maintained and receiving educational services at a state institution or a psychiatric residential treatment facility.

(4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et seq., and amendments thereto, shall be counted in accordance with the provisions of this subsection.

(kk) "Transportation weighting" means an addend component assigned to the enrollment of school districts pursuant to section 20, and amendments thereto, on the basis of costs attributable to the provision or furnishing of transportation.

(ll) "Virtual school" shall have the same meaning as that term is defined in K.S.A. 2016 Supp. 72-3712, and amendments thereto.

New Sec. 5. (a) The state school district finance fund, established by K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in existence and shall consist of: (1) All moneys credited to such fund under K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and (2) all amounts transferred to such fund under sections 8, 31, 32 and 33, and amendments thereto.

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

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

New Sec. 6. In each school year, the state board shall determine the amount of general state aid for each school district for such school year. The state board shall determine the amount of the school district's school financing sources for the school year. If the amount of the school district's school financing sources is greater than the amount of state financial aid
determined for the school district for the school year, the school district shall not receive general state aid in any amount. If the amount of the school district's school financing sources is less than the amount of state financial aid determined for the school district for the school year, the state board shall subtract the amount of the school district's school financing sources from the amount of state financial aid. The remainder is the amount of general state aid the school district will receive for the school year.

New Sec. 7. (a) The distribution of general state aid under this act shall be made in accordance with appropriation acts each year as provided in this section.

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

(2) In the month of June of each school year, payment shall be made of the full amount of the general state aid determined for the school year less the sum of the monthly payments made in the months of July through May pursuant to subsection (b)(1).

(c) Payments of general state aid shall be distributed to school districts once each month on the dates prescribed by the state board. The state board shall certify to the director of accounts and reports the amount due as general state aid to each school district in each of the months of July through June. Such certification, and the amount of general state aid payable from the state general fund, shall be approved by the director of the budget. The director of accounts and reports shall draw warrants on the state treasurer payable to the school district treasurer of each school district, pursuant to vouchers approved by the state board. Upon receipt of such warrant, each school district treasurer shall deposit the amount of general state aid in the general fund of the school district, except that an amount equal to the amount of federal impact aid not included in the school financing sources of a school district may be disposed of as provided in section 39(a), and amendments thereto.

New Sec. 8. In the event any school district is paid more than it is entitled to receive under any distribution made under this act or under any statute repealed by this act, the state board shall notify the school district of the amount of such overpayment, and such school district shall remit the same to the state board. The state board shall remit any moneys so
received 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. If any school district fails to remit, the state board shall deduct the excess amounts paid from future payments becoming due to the school district. In the event any school district is paid less than the amount it is to receive under any distribution made under this act, the state board shall pay the additional amount due at any time within the school year in which the underpayment was made or within 60 days after the end of such school year.

New Sec. 9. On or before October 10 of each school year, the clerk or superintendent of each school district shall certify under oath to the state board a report showing the total enrollment of the school district by grades maintained in the schools of the school district and such other reports as the state board may require. Each such report shall show postsecondary education enrollment, career technical education enrollment, special education enrollment, bilingual education enrollment and low-income student enrollment in such detail and form as is specified by the state board. Upon receipt of such reports, the state board shall examine the reports and if the state board finds any errors in any such report, the state board shall consult with the school district officer furnishing the report and make any necessary corrections in the report. On or before August 25 of each year, each such clerk or superintendent shall also certify to the state board a copy of the budget adopted by the school district.

New Sec. 10. (a) If the state board determines that the enrollment of a school district in the preceding school year decreased from the enrollment in the second preceding school year and that a disaster contributed to such decrease, the enrollment of such school district in the second school year following the school year in which the enrollment of the school district was first affected by the disaster shall be the greater of:

1. The enrollment of preschool-aged low-income students, if any, plus the average of the enrollment for the current and the preceding three school years, excluding the enrollment of preschool-aged low-income students in each such year; or
2. the enrollment of the school district as defined in section 4, and amendments thereto.

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

New Sec. 11. (a) Each school year, the state board shall:

1. Determine the number of students enrolled in each school district on September 20 of the preceding school year;
(2) determine the number of military students enrolled in each school district on September 20 of the preceding school year who were not enrolled in such school district on February 20 of the same school year;
(3) determine the number of military students enrolled in each school district on February 20 of the preceding school year who were not enrolled in such school district on September 20 of the same school year; and
(4) subtract the number determined under subsection (a)(2) from the number determined under subsection (a)(3).

(b) (1) If the number obtained under subsection (a)(4) is 25 or more, an amount equal to the number obtained under subsection (a)(4) shall be added to the number determined under subsection (a)(1). The sum is the enrollment of the school district; or
(2) if the number obtained under subsection (a)(4) is at least 1% of the number determined under subsection (a)(1), an amount equal to the number obtained under subsection (a)(4) shall be added to the number determined under subsection (a)(1). The sum is the enrollment of the school district.

(c) The state board shall recompute the adjusted enrollment of the school district and the general fund budget of the school district based on the enrollment as determined under this section.

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

(e) As used in this section, the term "military student" means a person who is a dependent of a full-time active duty member of the military service or a dependent of a member of any of the United States military reserve forces who has been ordered to active duty under 10 U.S.C. §§ 12301, 12302 or 12304, or ordered to full-time active duty for a period of more than 30 consecutive days under 32 U.S.C. §§ 502(f) or 512 for the purposes of mobilizing for war, international peacekeeping missions, national emergency or homeland defense activities.

New Sec. 12. Whenever a new school district has been established or the boundaries of a school district have been changed, the state board shall make appropriate revisions concerning the affected school districts as may be necessary for the purposes of this act to reflect such establishment of a school district or changes in boundaries. Such revisions shall be based on the most reliable data obtainable from the superintendent of the school district and the county clerk.

New Sec. 13. (a) (1) For the purposes of the education finance act, state financial aid for any school district formed by consolidation in accordance with the statutory provisions contained in article 87 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, shall be computed by the state board by determining the amount of state financial
aid each of the former school districts that comprise the consolidated school district received in the school year preceding the date the consolidation was completed, and calculating the sum of such amounts. The sum is the state financial aid of the consolidated school district for the school year in which the consolidation was completed.

(2) If any of the former school districts had an enrollment of less than 150 students on September 20 of the school year preceding the consolidation, the state financial aid of the newly consolidated school district for the two school years following the school year in which the consolidation was completed shall be the greater of: (A) The amount received in the school year in which the consolidation was completed; or (B) the amount the school district would receive under the education finance act.

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

(4) If all of the former school districts had an enrollment of 200 or more students on September 20 of the school year preceding the consolidation, the state financial aid of the newly consolidated school district for the four school years following the school year in which the consolidation was completed shall be the greater of: (A) The amount received in the school year in which the consolidation was completed; or (B) the amount the school district would receive under the education finance act.

(5) If the consolidation involved the consolidation of three or more school districts, regardless of the number of students enrolled in the school districts, the state financial aid of the newly consolidated school district for the four school years following the school year in which the consolidation was completed shall be the greater of: (A) The amount received in the school year in which the consolidation was completed; or (B) the amount the school district would receive under the education finance act.

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

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

(3) If any of the former school districts had an enrollment of less than
150 students on September 20 of the school year preceding the attachment,
the state financial aid of the enlarged school district for the two school
years following the school year in which the attachment was completed
shall be the greater of: (A) The amount received in the school year in
which the attachment was completed; or (B) the amount the school district
would receive under the education finance act.

(4) If all of the former school districts had an enrollment of at least
150 students, but any had less than 200 students on September 20 of the
school year preceding the attachment, the state financial aid of the
enlarged school district for the three school years following the school
year in which the attachment was completed shall be the greater of: (A)
The amount received in the school year in which the attachment was
completed; or (B) the amount the school district would receive under the
education finance act.

(5) If all of the former school districts had an enrollment of 200 or
more students on September 20 of the school year preceding the
attachment, the state financial aid of the enlarged school district for the
four school years following the school year in which the attachment was
completed shall be the greater of: (A) The amount received in the school
year in which the attachment was completed; or (B) the amount the school
district would receive under the education finance act.

(6) If three or more school districts, regardless of the number of
students enrolled in the school districts, are disorganized and attached to a
single school district, the state financial aid of the enlarged school district
for the four school years following the school year in which the attachment
was completed shall be the greater of: (A) The amount received in the
school year in which the attachment was completed; or (B) the amount the
school district would receive under the education finance act.

(7) Except as specifically provided by this paragraph for the
allocation of state financial aid among school districts, the provisions of
paragraphs (1) through (6) shall be applicable to school districts to which
this paragraph applies. If a school district is disorganized in accordance
with article 73 of chapter 72 of the Kansas Statutes Annotated, and
amendments thereto, and the territory of such school district is attached to
more than one school district, the state financial aid for each school district
to which any territory from the disorganized school district is attached,
shall be computed by the state board as follows: (A) Determine the amount
of state financial aid received by the former school district in the school year preceding the date the disorganization and attachment was completed;

(B) determine the amount of state financial aid received by the enlarged school district in the school year preceding the date the disorganization and attachment was completed; (C) determine the assessed valuation of the former school district in the school year preceding the date the disorganization and attachment was completed; (D) determine the assessed valuation of the territory attached to each enlarged school district; (E) allocate the amount of the state financial aid received by the former school district in the school year preceding the date the disorganization and attachment was completed to each of the enlarged school districts in the same proportion the assessed valuation of the territory attached to each school district bears to the assessed valuation of the former school district; and (F) add the amounts determined under subparagraphs (B) and (E). The sum is the state financial aid of the enlarged school district for the school year in which the attachment is completed.

New Sec. 14. (a) The board 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 and 2018-2019.

(c) The proceeds from the tax levied by a school 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 school district, shall be deposited in the general fund of the school district.

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

New Sec. 15. (a) In each school year, the board of any school district may adopt, by resolution, a local option budget that does not exceed the state prescribed percentage.
(b) Subject to the limitations of subsection (a), in each school year, the board of any school district may adopt, by resolution, a local option budget in an amount that does not exceed:

1. The amount that the board was authorized to adopt under any resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its expiration; or
2. the state-wide average for the preceding school year as determined by the state board pursuant to subsection (i).

The adoption of a resolution pursuant to this section 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.

(c) If the board of a school district desires to increase its local option budget authority above the amount authorized under subsection (b), 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 school 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 budget in each school year in an amount not to exceed ____% of the amount of state financial aid. The local option 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 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 appropriately. If a
sufficient petition is not filed, the board may adopt a local option budget.
If a sufficient petition is filed, the board may notify the county election
officer of the date of an election to be held to submit the question of
whether adoption of a local option budget shall be authorized. Any such
election shall be noticed, called and held in the manner provided by K.S.A.
10-120, and amendments thereto. If the board fails to notify the county
election officer within 30 days after a sufficient petition is filed, the
resolution shall be deemed abandoned and no like resolution shall be
adopted by the board within the nine months following publication of the
resolution.

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

(e) The board of any school district may initiate procedures to renew
or increase the authority to adopt a local option budget at any time during
a school year after the tax levied pursuant to section 19, and amendments
thereto, is certified to the county clerk under any existing authorization.

(f) The board of any school district authorized to adopt a local option
budget prior to July 1, 2017, under a resolution that authorized the
adoption of such budget in accordance with the provisions of K.S.A. 2016
Supp. 72-6471, prior to its expiration, 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.
Any such school district shall operate under the provisions of this section
after the period of time specified in any previously adopted resolution has
expired.

(g) 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 budget of a school district under all resolutions in effect
shall not exceed the state prescribed percentage in any school year.

(h)(1) There is hereby established in each school district that adopts a
supplemental general fund, which shall consist of all amounts deposited
therein or credited thereto according to law.
(2) Subject to the limitations imposed under subsection (h)(3), 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 school 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 school district and the capital outlay fund of the school district if such transfers are specified in the resolution authorizing the adoption of a local option 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 that is entered into pursuant to the provisions of K.S.A. 72-8225, and amendments thereto.

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

(B) If the school 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 budget of the school district for the school year and multiply the total amount of the unexpended moneys remaining by such ratio. An amount equal to the amount of the product shall be transferred to the general fund of the school district or remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. 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.

(i) Each year, the state board shall determine the statewide average percentage of local option budgets legally adopted by school districts for the preceding school year.

(j) The provisions of this section shall be subject to the provisions of section 16, and amendments thereto.

(k) As used in this section:

(1) "Authorized to adopt a local option budget" means that a school district has adopted a resolution pursuant to subsection (c).

(2) "State financial aid" shall have the meaning provided in section 4, and amendments thereto.

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

New Sec. 16. (a) (1) The provisions of this subsection shall apply in any school year in which the amount of foundation state aid per student is $4,490 or less.
(2) The board of any school district may adopt a local option budget that does not exceed the local option budget calculated as if the foundation state aid per student was $4,490, or that does not exceed the local option budget as calculated pursuant to section 15, and amendments thereto, whichever is greater.

(b) The board of any school district may adopt a local option budget that does not exceed the local option budget calculated as if the school 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 that does not exceed the local option budget as calculated pursuant to section 15, and amendments thereto, whichever is greater.

(c) The board 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 section 15, and amendments thereto, conflict with this section, this section shall control.

New Sec. 17. (a) In each school year, each school district that has adopted a local option budget is eligible to receive supplemental general state aid. Except as provided by section 18, and amendments thereto, supplemental general state aid shall be determined by the state board as provided in subsection (b).

(b) The state board shall:

(1) (A) For school year 2017-2018, determine the amount of the assessed valuation per student in the preceding school year of each school district; and

(B) for school year 2018-2019 and each school year thereafter, determine the average assessed valuation per student of each school district by adding the assessed valuation per student for each of the three immediately preceding school years and dividing the resulting sum by three;

(2) rank the school districts from low to high on the basis of the amounts of assessed valuation per student determined under subsection (b)(1);

(3) identify the amount of the assessed valuation per student located at the 81.2 percentile of the amounts ranked under subsection (b)(2);

(4) divide the assessed valuation per student of the school district as determined under subsection (b)(1) by the amount identified under subsection (b)(3); and

(5) (A) If the quotient obtained under subsection (b)(4) equals or exceeds one, the school district shall not receive supplemental general state aid; or

(B) if the quotient obtained under subsection (b)(4) is less than one, subtract the quotient obtained under subsection (b)(4) from one, and
multiply the difference by the amount of the local option budget of the
school district for the immediately preceding school year. The resulting
product is the amount of supplemental general state aid the school district
is to receive for the school year.

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

(d) Payments of supplemental general state aid shall be distributed to
school 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
school district, 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 supplemental general fund of the school district
to be used for the purposes of such fund.

(e) 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.

New Sec. 18. (a) (1) For the purposes of determining the amount of
supplemental general state aid, the state board shall determine the ranking
of each of the former school districts of which the school district is
composed as required by section 17(b)(2), and amendments thereto, for the
school year prior to the effectuation of the consolidation or attachment.

(2) For the school year in which the consolidation or attachment is
effectuated and the next succeeding two school years, the ranking of the
school district for the purposes of section 17(b)(2), and amendments thereto, shall be the ranking of the school district receiving the highest
amount of supplemental general state aid determined under subsection (a)
(1).

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

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

New Sec. 19. (a) In each school year, the board of each school district
that has adopted a local option budget may levy an ad valorem tax on the
taxable tangible property of the school district for the purposes of:

(1) Financing that portion of the school district's local option budget that 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 school district; and

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

(b) The proceeds from the tax levied by a school 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 school district, shall be deposited in the supplemental general fund of the school district.

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

New Sec. 20. (a) The transportation weighting of each school district shall be determined by the state board as follows:

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

(2) divide the amount determined under subsection (a)(1) by the total number of students who were included in the enrollment of the school district in the preceding school year and for whom transportation was made available by the school district;

(3) multiply the quotient obtained under subsection (a)(2) by the total number of students who were included in the enrollment of the school district in the preceding school year, were residing less than the designated distance by the usually traveled road from the school building they attended, and for whom transportation was made available by the school district;

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

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

(6) divide the remainder obtained under subsection (a)(5) by the total number of students who were included in the enrollment of the school district in the preceding school year, were residing the designated distance or more by the usually traveled road from the school building they
attended and for whom transportation was made available by the school
district. The quotient is the per-student cost of transportation;
(7) on a density-cost graph, plot the per-student cost of transportation
for each school district;
(8) construct a curve of best fit for the points so plotted;
(9) locate the index of density for the school district on the base line
of the density-cost graph and from the point on the curve of best fit
directly above this point of index of density follow a line parallel to the
base line to the point of intersection with the vertical line, which point is
the formula per-student cost of transportation of the school district;
(10) divide the formula per-student cost of transportation of the
school district by foundation state aid per student;
(11) multiply the quotient obtained under subsection (a)(10) by the
number of students who are included in the enrollment of the school
district, are residing the designated distance or more by the usually
traveled road to the school building they attend, and for whom
transportation is actually provided by, and at the expense of, the school
district. The product is the transportation weighting of the school district.
(b) For the purpose of providing accurate and reliable data on student
transportation, the state board is authorized to adopt rules and regulations
prescribing procedures that school districts shall follow in reporting
pertinent information, including uniform reporting of expenditures for
transportation.
(c) As used in this section:
(1) "Curve of best fit" means the curve on a density-cost graph drawn
so the sum of the distances squared from such line to each of the points
plotted on the graph is the least possible.
(2) "Density-cost graph" means a drawing having: (1) A horizontal or
base line divided into equal intervals of density, beginning with zero on the
left; and (2) a scale for per-student cost of transportation to be shown on a
line perpendicular to the base line at the left end thereof, such scale to
begin with zero dollars at the base line ascending by equal per-student cost
intervals.
(3) "Designated distance" means:
(A) For school year 2017-2018, 2\(\frac{1}{2}\) miles;
(B) For school year 2018-2019, 2 miles;
(C) For school year 2019-2020, 1\(\frac{1}{2}\) miles;
(D) For school year 2020-2021 and each school year thereafter, 1
mile.
(4) "Index of density" means the number of students who are
included in the enrollment of a school district in the current school year,
are residing the designated distance or more by the usually traveled road
from the school building they attend, and for whom transportation is being
made available on regular school routes by the school district, divided by
the number of square miles of territory in the school district.

New Sec. 21. The low enrollment weighting shall be determined by
the state board as follows:
(a) For school districts with an enrollment of 1,622 or more, the low
enrollment weighting shall be 0;
(b) for school districts with an enrollment of less than 100, the low
enrollment weighting shall be equal to the low enrollment weighting of a
school district with an enrollment of 100;
(c) for school districts with an enrollment of less than 1,622 and more
than 99, the low enrollment weighting shall be determined as follows:
(1) Determine the low enrollment weighting for such school districts
for school year 2004-2005;
(2) multiply the low enrollment weighting of each school district
determined under subsection (c)(1) by 3,863;
(3) add 3,863 to the product obtained under subsection (c)(2);
(4) divide the sum obtained under subsection (c)(3) by 4,107; and
(5) subtract one from the quotient obtained under subsection (c)(4).
The difference shall be the low enrollment weighting of the school district.

New Sec. 22. The high enrollment weighting of each school district
with an enrollment of 1,622 or more shall be determined by the state board
as follows:
(a) Determine the schedule amount for a school district with an
enrollment of 1,622 as derived from the linear transition under section
21(c), and amendments thereto, and subtract the amount determined under
section 21(b), and amendments thereto, from the schedule amount so
determined;
(b) divide the remainder obtained under subsection (a) by the amount
determined under section 21(b), and amendments thereto; and
(c) multiply the quotient obtained under subsection (b) by the
enrollment of the school district in the current school year. The product is
the high enrollment weighting of the school district.

New Sec. 23. (a) The program weighting of each school district shall
be determined by the state board as follows:
(1) Determine the full-time equivalent enrollment in approved
programs of bilingual education during the preceding school year and
multiply such enrollment by 0.395;
(2) determine the full-time equivalent enrollment in approved career
technical education programs during the preceding school year and
multiply such enrollment by 0.5;
(3) add the products obtained under subsections (a)(1) and (a)(2). The
sum is the program weighting of the school district.
(b) A school district may expend amounts received from the bilingual
weighting to pay the cost of providing at-risk and preschool-aged at-risk
education programs and services.

New Sec. 24. (a) For each school year in which such weighting may
be assigned to the enrollment of the school district, the school facilities
weighting of such school district shall be determined as follows:
(1) Determine the number of students included in the enrollment of
the school district who are attending a new school facility;
(2) multiply the number of students determined under subsection (a)
(1) by 0.25. The product is the school facilities weighting of the school
district.
(b) The school facilities weighting may be assigned to the enrollment
of a school district only if:
(1) The school district has adopted a local option budget in an amount
equal to at least 25% of the amount of the state financial aid determined
for the school district in the current school year; and
(2) (A) The contractual bond obligations incurred by the school
district were approved by the electors of the school district at an election
held on or before July 1, 2017; or
(B) the school district commences operation of a new school facility
in school year 2017-2018 or 2018-2019 and the construction of such
facility was financed primarily with federal funds and such facility is
located on a military reservation.
(c) The school facilities weighting may be assigned to the enrollment
of the school district only in the school year in which operation of a new
school facility is commenced and in the next succeeding school year.

New Sec. 25. The special education and related services weighting of
each school district shall be determined by the state board as follows:
(a) Add the amount of payments received by the school district under
the provisions of K.S.A. 72-979, and amendments thereto, to the amount
of any grant received by the school district under the provisions of K.S.A.
72-983, and amendments thereto; and
(b) divide the sum obtained under subsection (a) by the foundation
state aid per student. The quotient is the special education and related
services weighting of the school district.

New Sec. 26. (a) For school years 2017-2018 and 2018-2019, the
low-income student weighting of each school district shall be determined
by the state board by multiplying the number of low-income students
included in the enrollment of the school district by 0.456. The product is
the low-income student weighting of the school district.
(b) For school year 2019-2020, and each school year thereafter, the
low-income student weighting shall be determined by the state board by
multiplying the poverty rate of the school district for children age five
through 17 as determined by the United States census bureau for the
second preceding calendar year by 0.912.

(c) A school district may expend amounts received from the low-income student weighting to pay the cost of providing preschool-aged at-risk, bilingual and career technical education programs and services.

New Sec. 27. (a) The high-density low-income student weighting of each school district shall be determined by the state board in accordance with this section.

(b) (1) If the enrollment of the school district is at least 35%, but less than 50% low-income students, the state board shall:

(A) Subtract 35% from the percentage of low-income student enrollment in the school district;

(B) multiply the amount determined under subsection (b)(1)(A) by 0.7; and

(C) multiply the enrollment of low-income students in the school district by the product determined under subsection (b)(1)(B). The resulting product is the high-density low-income student weighting of the school district; or

(2) if the enrollment of the school district is 50% or more low-income students, the state board shall multiply the number of low-income students by 0.105. The resulting product is the high-density low-income student weighting of the school district.

New Sec. 28. (a) There is hereby established in every school district an at-risk education fund, which shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a school district directly attributable to providing at-risk student assistance or programs shall be paid from the at-risk education fund.

(b) (1) Any balance remaining in the at-risk education fund at the end of the budget year shall be carried forward into the at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the at-risk education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district.

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

(c) Each year the board of each school district shall prepare and submit to the state board a report on the at-risk student assistance or programs provided by the school district. Such report shall include the number of students who were served or provided assistance, the type of
service provided, the research upon which the school district relied in
determining that a need for service or assistance existed, the results of
providing such service or assistance and any other information required by
the state board.

(d) In order to achieve uniform reporting of the number of students
provided service or assistance by school districts in at-risk student
programs, school districts shall report the number of students served or
assisted in the manner required by the state board.

New Sec. 29. (a) There is hereby established in every school district a
preschool-aged at-risk education fund, which shall consist of all moneys
deposited therein or transferred thereto according to law. The expenses of a
school district directly attributable to providing preschool-aged at-risk
assistance or programs shall be paid from the preschool-aged at-risk
education fund.

(b) A school district may expend amounts received from the
preschool-aged low-income weighting to pay the cost of providing at-risk,
bilingual and career technical education programs and services.

(c) (1) Any balance remaining in the preschool-aged at-risk education
fund at the end of the budget year shall be carried forward into the
preschool-aged at-risk education fund for succeeding budget years. Such
fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-
2937, and amendments thereto. In preparing the budget of such school
district, the amounts credited to and the amount on hand in the preschool-
aged at-risk education fund, and the amount expended therefrom shall be
included in the annual budget for the information of the residents of the
school district.

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

(d) Each year the board of each school district shall prepare and
submit to the state board a report on the preschool-aged at-risk student
assistance or programs provided by the school district. Such report shall
include the number of students who were served or provided assistance,
the type of service provided, the research upon which the school district
relied in determining that a need for service or assistance existed, the
results of providing such service or assistance and any other information
required by the state board.

New Sec. 30. For the purpose of determining the general fund budget
of a school district, weightings shall not be assigned to a student enrolled
in and attending KAMS. Moneys in the general fund that are attributable
to a student enrolled in and attending KAMS shall not be included in the
computation of the local option budget of the school district.

New Sec. 31. (a) (1) The board of any school district to which the provisions of this subsection apply may levy an ad valorem tax on the taxable tangible property of the school 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 board 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 the enrollment of the school district. The state board of tax appeals may authorize the school district to make a levy that 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 the enrollment of the school district for each school year in which the school district is eligible for such weighting. If the school 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 school district is authorized to levy a tax under this subsection, the state board of tax appeals may authorize the school district to make a levy, in such year or years of ineligibility, that 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 board of tax appeals shall certify to the state board the amount authorized to be produced by the levy of a tax under this subsection.

(3) The state board 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 school 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 school 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;

(B) is authorized to adopt and has adopted a local option budget that is at least equal to that amount required to qualify for school facilities weighting under section 24, and amendments thereto; or

(C) is experiencing extraordinary enrollment growth as determined by the state board.

(b) The board of any school district that has levied an ad valorem tax
on the taxable tangible property of the school 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 six years in an amount not to exceed the amount computed by the state board as provided in this subsection if the board of the school 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 school district. The tax authorized under this subsection may be levied at a rate that will produce an amount that is not greater than the amount computed by the state board as provided in this subsection. In computing such amount, the state board shall:

(1) Determine the amount produced by the tax levied by the school 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 school district in the same year;

(2) compute 90% of the amount of the sum obtained under subsection (b)(1), which computed amount is the amount the school district may levy a tax under authority of this subsection;

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

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

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

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

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

In determining the amount produced by the tax levied by the school district under authority of subsection (a), the state board shall include any
moneys apportioned to the ancillary facilities fund of the school 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 any tax levied by a school 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.

(d) The ancillary school facilities weighting may be assigned to the enrollment of a school district only if the school district has levied a tax under the authority of subsection (a), and remitted the proceeds from such tax to the state treasurer. The ancillary school facilities weighting is in addition to assignment of school facilities weighting to the enrollment of a school district eligible for such weighting. The ancillary school facilities weighting of each school district shall be determined in each school year in which such weighting may be assigned to the enrollment of the school district as follows:

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

(2) divide the sum obtained under subsection (d)(1) by the foundation state aid per student. The quotient is the ancillary school facilities weighting of the school district.

New Sec. 32. (a) Subject to subsection (b), the board of any school district may levy a tax on the taxable tangible property within the school 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 school district.

(b) The state board shall determine whether a school 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 subsection (b)(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) subtract the amount determined under subsection (b)(2) from the amount determined under subsection (b)(3). If the amount determined for the school district is a positive number and the school district has adopted a local option budget in an amount equal to at least 31% of the state financial aid for the school district, the school district qualifies for
assignment of cost-of-living weighting and may levy a tax on the taxable
tangible property of the school district for the purpose of financing the
costs that are attributable directly to assignment of the cost-of-living
weighting to the enrollment of the school district.

(c) 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
school 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 school
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 appropriately. 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.

(d) There is hereby established in every school district a cost-of-living fund, which 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 school 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.

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

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

1. Divide the amount determined under subsection (b)(4) by the amount determined under subsection (b)(2);
2. Multiply the quotient determined under subsection (f)(1) by 0.095;
3. Multiply the school district's state financial aid for the current school year, excluding the amount determined under this provision, by the lesser of the product determined under subsection (f)(2) or 0.05; and
4. Divide the product determined under subsection (f)(3) by the foundation state aid per student for the current school year. The quotient is the cost-of-living weighting of the school district.

New Sec. 33. (a) (1) The board of any school district may levy an ad valorem tax on the taxable tangible property of the school district each year for a period of time not to exceed two years, unless authority to make such levy is renewed by the state board of tax appeals, in an amount not to exceed the amount authorized by the state board of tax appeals under this section for the purpose of financing the costs incurred by the state that are directly attributable to assignment of declining enrollment weighting to the enrollment of the school district. The state board of tax appeals may authorize the school district to make a levy that will produce an amount that is not greater than the amount of revenues lost as a result of the declining enrollment of the school district. Such amount shall not exceed...
5% of the general fund budget of the school district in the school year in which the school district applies to the state board of tax appeals for authority to make a levy pursuant to this subsection. The state board of tax appeals may renew the authority to make such levy for periods of time not to exceed two years.

(2) The state board 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 board of tax appeals pursuant to this section. The state board shall provide to the state board of tax appeals such school data and information requested by the state board of tax appeals and any other information deemed necessary by the state board.

(b) There is hereby established in every school district a declining enrollment fund, which shall consist of all moneys deposited therein or transferred thereto according to law. The proceeds from the tax levied by a school district under authority of this section shall be credited to the declining enrollment fund of the school district. The proceeds from the tax levied by a school 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.

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

(d) The declining enrollment weighting of a school district shall be determined by the state board in each school year in which such weighting may be assigned to the enrollment of the school district. The state board shall divide the amount certified under subsection (a)(2) by the foundation state aid per student. The resulting quotient is the declining enrollment weighting of the school district.

(e) As used in this section:

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

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

New Sec. 34. (a) There is hereby established in every school district a
special education fund, which shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from any source for special education shall be credited to the special education fund established by this section, except that: (1) Amounts of payments received by a school district under K.S.A. 72-979, and amendments thereto, and amounts of grants received by a school district under K.S.A. 72-983, and amendments thereto, shall be deposited in the general fund of the school district and transferred to the special education fund; and (2) moneys received by a school district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special fund established under such agreements.

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

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

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

New Sec. 35. (a) There is hereby established in every school district a career technical education fund, which shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by a school district for any course or program authorized and approved under the provisions of article 44 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, except for courses and programs conducted in an area vocational school, shall be credited to the career technical education fund. All moneys received by the school district from tuition, fees or charges or from any other source for career technical education courses or programs, except for courses and programs conducted in an area vocational school, shall be credited to the career technical education fund. The expenses of a school district directly attributable to career technical education shall be paid from the career technical education fund.

(b) (1) Any balance remaining in the career technical education fund
at the end of the budget year shall be carried forward into the career technical education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the career technical education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district.

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

New Sec. 36. (a) There is hereby established in every school district a driver training fund, which shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district from distributions made from the state safety fund and the motorcycle safety fund and from tuition, fees or charges for driver training courses shall be credited to the driver training fund. The expenses of a school district directly attributable to driver training shall be paid from the driver training fund.

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

New Sec. 37. There is hereby established in every school district a food service fund, which shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district for food service and from charges for food service shall be credited to the food service fund. The expenses of a school district attributable to food service shall be paid from the food service fund.

New Sec. 38. (a) There is hereby established in every school district a contingency reserve fund, which shall consist of all moneys deposited therein or transferred thereto according to law. The fund shall be maintained for payment of expenses of a school district attributable to financial contingencies as determined by the board.

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

New Sec. 39. (a) Except as otherwise provided in this section, any
revenues of a school district, not required by law to be deposited in or
credited to a specific fund, shall be deposited in or credited to any program
weighted fund or any categorical fund of the school district or to the
capital outlay fund of the school district.

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

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

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

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

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

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

(1) No board shall transfer moneys in any amount from the general
fund to a program weighted fund prior to maturation of the obligation of
the fund necessitating the transfer; and
(2) the board may transfer moneys in an amount not to exceed the
amount of the obligation of the program weighted fund necessitating the
transfer.
(b) The board of any school district may transfer moneys from the
general fund to the contingency reserve fund of the school district, subject
to any limitations imposed upon the amount authorized to be maintained in
the contingency reserve fund.
(c) The board of any school district may transfer moneys from the
general fund to the:
(1) Capital outlay fund;
(2) special reserve fund;
(3) special liability expense fund; and
(4) textbook and student materials revolving fund.
(d) In each school year, any board may transfer to its general fund
from any fund to which transfers from the general fund are authorized an
amount not to exceed an amount equal to the amount transferred from the
general fund to any such fund in the same school year.

New Sec. 41. Expenditures of a school district for the following
purposes are not operating expenses:
(a) Payments to another school district in an adjustment of rights as
provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of
territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and
amendments thereto, if paid from any fund other than the general fund;
(b) payments to another school district under K.S.A. 72-7105a, and
amendments thereto;
(c) the maintenance of student activities that are reimbursed;
(d) expenditures from any lawfully authorized fund of a school
district other than its general fund;
(e) the provision of educational services for students residing at the
Flint Hills job corps center, students housed at a psychiatric residential
treatment facility or students confined in a juvenile detention facility for
which the school district is reimbursed by a grant of state moneys as
provided in K.S.A. 72-8187, and amendments thereto; and
(f) programs financed, in part or in whole, by federal funds that may
be expended although not included in the budget of the school district,
excluding funds received under the provisions of title I of public law 874,
but not including in such exclusion amounts received for assistance in
cases of major disaster and amounts received under the low-rent housing
program, to the extent of the federal funds to be provided.

New Sec. 42. If in any school year a school district expends an
amount for operating expenses that exceeds its general fund budget, the
state board shall determine the excess and deduct the same from amounts
of general state aid payable to the school district during the next
succeeding school year.

New Sec. 43.  (a) Subject to any limitations as provided in this act,
any school district may expend the unencumbered balance of the moneys
held in the at-risk education fund, as provided in section 27, and
amendments thereto, bilingual education fund, as provided in K.S.A. 72-
9509, and amendments thereto, contingency reserve fund, as provided in
section 38, and amendments thereto, driver training fund, as provided in
section 36, and amendments thereto, parent education program fund, as
provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-
risk education fund, as provided in section 28, and amendments thereto,
professional development fund, as provided in K.S.A. 72-9609, and
amendments thereto, summer program fund, as provided in K.S.A. 72-
8237, and amendments thereto, textbook and student materials revolving
fund, as provided in K.S.A. 72-8250, and amendments thereto, special
education fund, as provided in K.S.A. 72-965 and section 34, and
amendments thereto, and career technical education fund, as provided in
section 35, and amendments thereto, to pay for general operating expenses
of the school district out of the general fund as approved by the board of
such school district.

(b) The board of a school district shall consider the use of such funds
in the following order of priority:

1. At-risk education fund, bilingual education fund, contingency
reserve fund, driver training fund, parent education program fund,
preschool-aged at-risk education fund, professional development fund,
summer program fund and career technical education fund;
2. textbook and student materials revolving fund; and
3. special education fund.

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

(c) The superintendent of each school district shall report the
unencumbered balance of moneys in each fund listed in subsection (a) to
the board of education in July of each year at the meeting described in
K.S.A. 72-8205, and amendments thereto, and to the state board on or
before July 15 of such year.

New Sec. 44.  (a) In order to accomplish the mission for Kansas
education, the state board shall design and adopt a school performance
accreditation system based upon improvement in performance that reflects
high academic standards and is measurable.

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

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

(d) Whenever the state board determines that a school district has failed either to meet the accreditation requirements established by rules and regulations or standards adopted by the state board or provide the curriculum required by state law, the state board shall so notify the school district. Such notice shall specify the accreditation requirements that the school district has failed to meet and the curriculum that it has failed to provide. Upon receipt of such notice, the board of education of such school district is encouraged to reallocate the resources of the school district to remedy all deficiencies identified by the state board.

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

New Sec. 45. The state board may adopt rules and regulations for the administration of this act, including the classification of expenditures of school districts to ensure uniform reporting of operating expenses.
New Sec. 46. The provisions of sections 3 through 46, and amendments thereto, shall not be severable. If any provision of sections 3 through 46, and amendments thereto, is held to be invalid or unconstitutional by court order, the entire provisions of sections 3 through 46, and amendments thereto, shall be null and void.

New Sec. 47. (a) The state department of education shall conduct a study of the cost of career technical education programs offered by school districts, including, but not limited to, the following:

(1) The career technical education programs offered by school districts;
(2) the costs associated with offering such programs, including salaries and wages, materials, equipment and facilities; and
(3) the coordination between school districts, community colleges and technical colleges in offering such programs.

(b) On or before January 15, 2018, the state department of education shall prepare a report on its findings and shall make recommendations on amendments to the education finance act for the financing of career technical education programs using a tiered technical education model or other funding model. The report shall be submitted to the governor and the legislature.

(c) The provisions of this section shall expire on July 1, 2018.

New Sec. 48. (a) The legislative division of post audit shall conduct a study of statewide virtual school programs administered in other states. The study shall include, but not be limited to, the following:

(1) The aggregate cost incurred by each state administering a virtual school program, and the cost incurred by individual school districts or schools within each state;
(2) the resources necessary for the implementation of each virtual school program, including, but not limited to, personnel, equipment, software and facility usage;
(3) the scope of each virtual school program; and
(4) the effectiveness of each virtual school program with respect to student performance and outcomes.

(b) The provisions of this section shall expire on July 1, 2018.

New Sec. 49. (a) There is hereby established in the state treasury the school district capital outlay state aid fund. Such fund shall consist of all amounts transferred thereto under the provisions of subsection (d).

(b) (1) Except as provided in subsection (b)(2), each school district that levies a tax pursuant to K.S.A. 72-8801 et seq., and amendments thereto, shall receive payment from the school district capital outlay state aid fund in an amount determined by the state board of education as provided in this section.

(2) For school year 2018-2019 and each school year thereafter,
school district shall be eligible to receive payment from the school district
capital outlay state aid fund only if such school district has levied a tax
pursuant to K.S.A. 72-8801 et seq., and amendments thereto, for the
current school year in an amount that is not less than four mills.
(c) The state board shall:
(1) (A) For school year 2017-2018, determine the amount of the
assessed valuation per student of each school district in the state and round
such amount to the nearest $1,000. The rounded amount is the assessed
valuation per student of a school district for the purposes of this
subsection; and
(B) for school year 2018-2019 and each school year thereafter,
determine the average assessed valuation per student of each school
district by adding the assessed valuation per student for each of the three
immediately preceding school years and dividing the resulting sum by
three, then rounding such amount to the nearest $1,000. The rounded
amount is the assessed valuation per student of a school district for the
purposes of this subsection;
(2) determine the median assessed valuation per student of all school
districts;
(3) prepare a schedule of dollar amounts using the amount of the
median assessed valuation per student 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 assessed valuation per student of the
school district with the highest assessed valuation per student 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
assessed valuation per student of the school district with the lowest
assessed valuation per student of all school districts;
(4) determine a state aid percentage factor for each school district by
assigning a state aid computation percentage to the amount of the median
assessed valuation per student shown on the schedule, decreasing the state
aid computation percentage assigned to the amount of the median assessed
valuation per student by one percentage point for each $1,000 interval
above the amount of the median assessed valuation per student, and
increasing the state aid computation percentage assigned to the amount of
the median assessed valuation per student by one percentage point for each
$1,000 interval below the amount of the median assessed valuation per
student. 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 assessed valuation per student of the school district, except that the
state aid percentage factor of a school district shall not exceed 100%. The
state aid computation percentage is 25%;
(5) determine the amount levied by each school district pursuant to K.S.A. 72-8801 et seq., and amendments thereto; and

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

(d) The state board shall certify to the director of accounts and reports the amount of school district capital outlay state aid determined under the provisions of subsection (c), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital outlay state aid 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.

(e) Payments from the school district capital outlay state aid fund shall be distributed to school districts at times determined by the state board of education. The state board of education shall certify to the director of accounts and reports the amount due each school district, and the director of accounts and reports shall draw a warrant on the state treasury 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 capital outlay fund of the school district to be used for the purposes of such fund.

Sec. 50. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as follows: 10-1116a. The limitations on expenditures imposed under the cash-basis law shall not apply to:

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

(b) Expenditures in any month by school districts which are in excess
of current revenues if the deficit or shortage in revenues is caused by, or a
result of, the payment of state aid after the date prescribed for the payment
of state aid during such month under K.S.A. 2016 Supp. 72-6466 section
7, and amendments thereto.

Sec. 51. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as
follows: 12-1677. (a) Except as otherwise required by state or federal law,
all moneys earned and collected from investments by counties, area
vocational-technical schools and quasi-municipal corporations authorized
in this act shall be credited to the general fund of such county, area
vocational-technical school or quasi-municipal corporation by the treasurer
thereof, and all moneys earned and collected from investments by school
districts authorized in this act shall be credited to the general fund of the
school district in accordance with the provisions of section 39, and
amendments thereto.

(b) The treasurer of each county, school district, area vocational-
technical school or quasi-municipal corporation shall maintain a complete
record of all investments authorized in this act and shall make a quarterly
written report of such record to the governing body of such county, school
district, area vocational-technical school or quasi-municipal corporation.

Sec. 52. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as
follows: 12-1770a. As used in this act, the following words and phrases
shall have the following meanings unless a different meaning clearly
appears from the content:

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

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

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

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

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

(B) predominance of defective or inadequate street layout;
(C) unsanitary or unsafe conditions;
(D) deterioration of site improvements;
(E) tax or special assessment delinquency exceeding the fair market value of the real property;
(F) defective or unusual conditions of title including, but not limited to, cloudy or defective titles, multiple or unknown ownership interests to the property;
(G) improper subdivision or obsolete platting or land uses;
(H) the existence of conditions which endanger life or property by fire or other causes; or
(I) conditions which create economic obsolescence;
(2) has been identified by any state or federal environmental agency as being environmentally contaminated to an extent that requires a remedial investigation; feasibility study and remediation or other similar state or federal action;
(3) a majority of the property is a 100-year floodplain area; or
(4) previously was found by resolution of the governing body to be a slum or a blighted area under K.S.A. 17-4742 et seq., and amendments thereto.
(d) "Conservation area" means any improved area comprising 15% or less of the land area within the corporate limits of a city in which 50% or more of the structures in the area have an age of 35 years or more, which area is not yet blighted, but may become a blighted area due to the existence of a combination of two or more of the following factors:
(1) Dilapidation, obsolescence or deterioration of the structures;
(2) illegal use of individual structures;
(3) the presence of structures below minimum code standards;
(4) building abandonment;
(5) excessive vacancies;
(6) overcrowding of structures and community facilities; or
(7) inadequate utilities and infrastructure.
(e) "De minimus" means an amount less than 15% of the land area within a redevelopment district.
(f) "Developer" means any person, firm, corporation, partnership or limited liability company, other than a city and other than an agency, political subdivision or instrumentality of the state or a county when relating to a bioscience development district.
(g) "Eligible area" means a blighted area, conservation area, enterprise zone, intermodal transportation area, major tourism area or a major commercial entertainment and tourism area, bioscience development area or a building or buildings which are 65 years of age or older and any contiguous vacant or condemned lots.
(h) "Enterprise zone" means an area within a city that was designated
as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107 through 12-17,113, and amendments thereto, prior to its repeal and the conservation, development or redevelopment of the area is necessary to promote the general and economic welfare of such city.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(m) "Real property taxes" means all taxes levied on an ad valorem basis upon land and improvements thereon, except that when relating to a bioscience development district, as defined in this section, "real property taxes" does not include:

(1) Property taxes levied by school districts pursuant to K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto, when:

(A) Relating to a bioscience development district; and

(B) relating to a redevelopment district established after June 30, 1997; and

(2) property taxes levied by school districts pursuant to K.S.A. 72-8801, and amendments thereto, when relating to a bioscience development district or a redevelopment district established after June 30, 2017.

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

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

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

(B) payment of relocation assistance pursuant to a relocation assistance plan as provided in K.S.A. 12-1777, and amendments thereto;

(C) site preparation including utility relocations;

(D) sanitary and storm sewers and lift stations;

(E) drainage conduits, channels, levees and river walk canal facilities;

(F) street grading, paving, graveling, macadamizing, curbing, guttering and surfacing;

(G) street light fixtures, connection and facilities;

(H) underground gas, water, heating and electrical services and connections located within the public right-of-way;

(I) sidewalks and pedestrian underpasses or overpasses;

(J) drives and driveway approaches located within the public right-of-way;

(K) water mains and extensions;

(L) plazas and arcades;

(M) major multi-sport athletic complex;

(N) museum facility;
(O) parking facilities including multilevel parking facilities;
(P) landscaping and plantings, fountains, shelters, benches, sculptures, lighting, decorations and similar amenities;
(Q) related expenses to redevelop and finance the redevelopment project;
(R) for purposes of an incubator project, such costs shall also include wet lab equipment including hoods, lab tables, heavy water equipment and all such other equipment found to be necessary or appropriate for a commercial incubator wet lab facility by the city in its resolution establishing such redevelopment district or a bioscience development district;
(S) costs for the acquisition of land for and the construction and installation of publicly-owned infrastructure improvements which serve an intermodal transportation area and are located outside of a redevelopment district; and
(T) costs for infrastructure located outside the redevelopment district but contiguous to any portion of the redevelopment district and such infrastructure is necessary for the implementation of the redevelopment plan as determined by the city.

(2) Redevelopment project costs shall not include: (A) Costs incurred in connection with the construction of buildings or other structures to be owned by or leased to a developer, however, the "redevelopment project costs" shall include costs incurred in connection with the construction of buildings or other structures to be owned or leased to a developer which includes an auto race track facility or a multilevel parking facility.
(B) In addition, for a redevelopment project financed with special obligation bonds payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and amendments thereto, redevelopment project costs shall not include:
(i) Fees and commissions paid to developers, real estate agents, financial advisors or any other consultants who represent the developers or any other businesses considering locating in or located in a redevelopment district;
(ii) salaries for local government employees;
(iii) moving expenses for employees of the businesses locating within the redevelopment district;
(iv) property taxes for businesses that locate in the redevelopment district;
(v) lobbying costs;
(vi) a bond origination fee charged by the city pursuant to K.S.A. 12-1742, and amendments thereto;
(vii) any personal property, as defined in K.S.A. 79-102, and amendments thereto; and
(viii) travel, entertainment and hospitality.

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

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

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

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

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

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

(v) "Taxing subdivision" means the county, city, unified school district and any other taxing subdivision levying real property taxes, the territory or jurisdiction of which includes any currently existing or subsequently created redevelopment district including a bioscience development district.

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

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

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

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

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

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

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

(3) Includes a bioscience facility.

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

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

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

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

(ff) "Bioscience project area" means an area designated by the authority within a bioscience development district.

(gg) "Biotechnology" means those fields focusing on technological developments in such areas as molecular biology, genetic engineering, genomics, proteomics, physiomtics, nanotechnology, biodefense, biocomputing, bioinformatics and future developments associated with biotechnology.

(hh) "Board" means the board of directors of the Kansas bioscience authority.

(ii) "Life sciences" means the areas of medical sciences, pharmaceutical sciences, biological sciences, zoology, botany, horticulture, ecology, toxicology, organic chemistry, physical chemistry, physiology and any future advances associated with life sciences.

(jj) "Revenue increase" means that amount of real property taxes collected from real property located within the bioscience development district that is in excess of the amount of real property taxes which is collected from the base year assessed valuation.
(kk) "Taxpayer" means a person, corporation, limited liability
company, S corporation, partnership, registered limited liability
partnership, foundation, association, nonprofit entity, sole proprietorship,
business trust, group or other entity that is subject to the Kansas income
tax act, K.S.A. 79-3201 et seq., and amendments thereto.

(li) "Floodplain increment" means the increment determined pursuant
to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.

(mm) "100-year floodplain area" means an area of land existing in a
100-year floodplain as determined by either an engineering study of a
Kansas certified engineer or by the United States federal emergency
management agency.

(nn) "Major motorsports complex" means a complex in Shawnee
county that is utilized for the hosting of competitions involving motor
vehicles, including, but not limited to, automobiles, motorcycles or other
self-propelled vehicles other than a motorized bicycle or motorized
wheelchair. Such project may include racetracks, all facilities directly
related and necessary to the operation of a motorsports complex,
including, but not limited to, parking lots, grandstands, suites and viewing
areas, concessions, souvenir facilities, catering facilities, visitor and retail
centers, signage and temporary hospitality facilities, but excluding hotels,
motels, restaurants and retail facilities not directly related to or necessary
to the operation of such facility.

(oo) "Intermodal transportation area" means an area of not less than
800 acres to be developed primarily to handle the transfer, storage and
distribution of freight through railway and trucking operations.

(pp) "Museum facility" means a separate newly-constructed museum
building and facilities directly related and necessary to the operation
thereof, including gift shops and restaurant facilities, but excluding hotels,
motels, restaurants and retail facilities not directly related to or necessary
to the operation of such facility. The museum facility shall be owned by
the state, a city, county, other political subdivision of the state or a non-
profit corporation, shall be managed by the state, a city, county, other
political subdivision of the state or a non-profit corporation and may not
be leased to any developer and shall not be located within any retail or
commercial building.

Sec. 53. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as
follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of
each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has
established a redevelopment district prior to July 1, 1996, shall certify to
the director of accounts and reports the amount equal to the amount of
revenue realized from ad valorem taxes imposed pursuant to K.S.A. 2016
Supp. 72-6470 section 14, and amendments thereto, within such
redevelopment district. Prior to February 1, 1997, and annually on that
date thereafter, the governing body of each such city shall certify to the
director of accounts and reports an amount equal to the amount by which
revenues realized from such ad valorem taxes imposed in such
redevelopment district are estimated to be reduced for the ensuing calendar
year due to legislative changes in the statewide school finance formula.
Prior to March 1 of each year, the director of accounts and reports shall
certify to the state treasurer each amount certified by the governing bodies
of cities under this section for the ensuing calendar year and shall transfer
from the state general fund to the city tax increment financing revenue
fund the aggregate of all amounts so certified. Prior to April 15 of each
year, the state treasurer shall pay from the city tax increment financing
revenue fund to each city certifying an amount to the director of accounts
and reports under this section for the ensuing calendar year the amount so
certified.

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

Sec. 54. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
follows: 12-1776a. (a) As used in this section:
(1) "School district" means any school district in which is located a
redevelopment district for which bonds have been issued pursuant to
K.S.A. 12-1770 et seq., and amendments thereto.
(2) "Base year assessed valuation," "redevelopment district" and
"redevelopment project" shall have the meanings ascribed thereto by
K.S.A. 12-1770a, and amendments thereto.
(b) No later than November 1 of each year, the county clerk of each
county shall certify to the state board of education the assessed valuation
of any school district located within a redevelopment district in such
county. For the purposes of this section and for determining the amount of
state aid for school districts under section 17 and K.S.A. 75-2319, and
amendments thereto, the base year assessed valuation of property within
the boundaries of a redevelopment district shall be used when determining
the assessed valuation of a school district until the bonds issued pursuant
to K.S.A. 12-1770 et seq., and amendments thereto, to finance
redevelopment projects in the redevelopment district have been retired.

Sec. 55. K.S.A. 12-17,115 is hereby amended to read as follows: 12-
17,115. As used in this act:
(a) "Dilapidated structure" means a residence or other building which
is in deteriorating condition by reason of obsolescence, inadequate
provision of ventilation, light, air or structural integrity or is otherwise in a
condition detrimental to the health, safety or welfare of its inhabitants or a
residence or other building which is in deteriorating condition and because
of age, architecture, history or significance is worthy of preservation.
(b) "Municipality" means any municipality as defined by K.S.A. 10-
1101, and amendments thereto.
(c) "Neighborhood revitalization area" means:
(1) An area in which there is a predominance of buildings or
improvements which by reason of dilapidation, deterioration,
obsolescence, inadequate provision for ventilation, light, air, sanitation, or
open spaces, high density of population and overcrowding, the existence
of conditions which endanger life or property by fire and other causes or a
combination of such factors, is conducive to ill health, transmission of
disease, infant mortality, juvenile delinquency or crime and which is
detrimental to the public health, safety or welfare;
(2) an area which by reason of the presence of a substantial number
of deteriorated or deteriorating structures, defective or inadequate streets,
incompatible land use relationships, faulty lot layout in relation to size,
adequacy, accessibility or usefulness, unsanitary or unsafe conditions,
deterioration of site or other improvements, diversity of ownership, tax or
special assessment delinquency exceeding the actual value of the land,
defective or unusual conditions of title, or the existence of conditions
which endanger life or property by fire and other causes, or a combination
of such factors, substantially impairs or arrests the sound growth of a
municipality, retards the provision of housing accommodations or
constitutes an economic or social liability and is detrimental to the public
health, safety or welfare in its present condition and use; or
(3) an area in which there is a predominance of buildings or
improvements which by reason of age, history, architecture or significance
should be preserved or restored to productive use.
(d) "Governing body" means the governing body of any municipality.
(e) "Increment" means, except for any taxes levied by school districts
pursuant to section 14 or K.S.A. 72-8801, and amendments thereto, that
amount of ad valorem taxes collected from real property located within the
neighborhood revitalization area or from dilapidated structures outside the
revitalization area that is in excess of the amount which is produced from
such property and attributable to the assessed valuation of such property
prior to the date the neighborhood revitalization area was established or
the structure was declared dilapidated pursuant to this act.
Sec. 56. K.S.A. 2016 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 budgets of all school districts;
(2) subtract from the amount determined in subsection (a)(1) the total amount attributable to assignment of transportation weighting, program weighting, special education weighting and at-risk pupil low-income student weighting, as those weightings were calculated under the school district finance and quality performance act, prior to its repeal, to the enrollment of all school districts;
(3) divide the remainder obtained in subsection (a)(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 subsection (a)(3) by the full-time equivalent enrollment determined in subsection (a)(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 subsections (a)(6) and (a)(7) to the amount of the product obtained under subsection (a)(5);
(9) determine the total amount of expenditures of all school districts for the provision of special education and related services;
(10) subtract the amount of the sum obtained under subsection (a)(8) from the amount determined under subsection (a)(9); and
(11) multiply the remainder obtained under subsection (a)(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;
(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 that receive
reimbursement under subsection (c) or (d), after subtracting the amounts of
reimbursement under subsections (a)(1), (a)(2) and (a)(3) 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 subsection (b)(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 school 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 school 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 school 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 school 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.

(f) There is hereby established in every school district a fund which shall be called the special education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from whatever source for special education shall be credited to the special education fund established by this section, except that: (1) Amounts of payments received by a school district under K.S.A. 72-979, and amendments thereto, and amounts of grants, if any, received by a school district under K.S.A. 72-983, and amendments thereto, shall be deposited in the general fund of the district and transferred to the special education fund; and (2) moneys received by a school district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special education fund established under the agreements.

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

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

Sec. 57. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as follows: 72-1046b. (a) As used in this section:

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

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

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

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

(c) Pupils attending school in a school district in which the pupil does
not reside pursuant to this section shall be counted as regularly enrolled in
and attending school in the district where the pupil is enrolled for the
purpose of computations under the classroom learning assuring student
success act, K.S.A. 2016 Supp. 72-6463 et seq., education finance act,
section 3 et seq., and amendments thereto, except computation of
transportation weighting under such act, and for the purposes of the
statutory provisions contained in article 83 of chapter 72 of the Kansas
Statutes Annotated, and amendments thereto. Such non-resident pupil shall
not be charged for the costs of attendance at school.

(d) Any pupil who was not a resident of the district in school year
2014-2015, but was allowed to enroll in and attend school in such district
in school year 2014-2015 by the board of education of such district and
any member of the family of such pupil regardless of whether such family
member enrolled in and attended school in such district in school year
2014-2015, shall be allowed to enroll in and attend school in such district
in school years 2015-2016 and 2016-2017 regardless of whether such
pupil or family member of such pupil is a resident of the district in either
school year, provided such pupil or such pupil's family member is in
compliance with any attendance and behavior policies of the district. If
transportation was furnished or provided to such pupil in school year
2014-2015 by the district, then transportation shall be furnished or
provided by the district to such pupil and any family member of such pupil
in school years 2015-2016 and 2016-2017, provided there is no change in
such pupil's residence and no requirement for the district to furnish
transportation to any additional residence.
Sec. 58. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as
follows: 72-1398. (a) The national board for professional teaching
standards certification incentive program is hereby established for the
purpose of rewarding teachers who have attained certification from the
national board. Teachers who have attained certification from the national
board shall be issued a master teacher's license by the state board of
education. A master teacher's license shall be valid for 10 years and
renewable thereafter every 10 years through compliance with continuing
education and professional development requirements prescribed by the
state board. Teachers who have attained certification from the national
board and who are employed by a school district shall be paid an incentive
bonus in the amount of $1,000 each school year that the teacher remains
employed by a school district and retains a valid master teacher's license.

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

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

(d) Moneys received by a board of education under this section shall
be deposited in the general fund of the school district and shall be
considered reimbursements to the district for the purpose of the classroom
learning assuring student success act, K.S.A. 2016 Supp. 72-6463-
education finance act, section 3 et seq., and amendments thereto, and may
be expended whether the same have been budgeted or not.

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

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

Sec. 59. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as follows: 72-1414. (a) On or before January 1, 2001, the state board of education shall adopt rules and regulations for the administration of mentor teacher programs and shall:

(1) Establish standards and criteria for evaluating and approving mentor teacher programs and applications of school districts for grants;
(2) evaluate and approve mentor teacher programs;
(3) establish criteria for determination of exemplary teaching ability of certificated teachers for qualification as mentor teachers;
(4) prescribe guidelines for the selection by boards of education of mentor teachers and for the provision by boards of education of training programs for mentor teachers;
(5) be responsible for awarding grants to school districts; and
(6) request of and receive from each school district which is awarded a grant for maintenance of a mentor teacher program reports containing information with regard to the effectiveness of the program.

(b) Subject to the availability of appropriations for mentor teacher programs maintained by school districts, and within the limits of any such appropriations, the state board of education shall determine the amount of grants to be awarded school districts by multiplying an amount not to exceed $1,000 by the number of mentor teachers participating in the program maintained by a school district. The product is the amount of the grant to be awarded to the district. Upon receipt of a grant of state moneys for maintenance of a mentor teacher program, the amount of the grant shall be deposited in the general fund of the school district. Moneys deposited in the general fund of a school district under this subsection shall be considered reimbursements for the purpose of the classroom learning-assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto. The full amount of the grant shall be allocated among the mentor teachers employed by the school district so as to provide a mentor teacher with an annual stipend in an amount not to exceed $1,000. Such annual stipend shall be over and above the regular salary to which the mentor teacher is entitled for the school year.
Sec. 60. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925, and amendments thereto, the board of education of any school district may apply to the state board for a grant of authority to operate such school district as a public innovative district. The application shall be submitted in the form and manner prescribed by the state board, and shall be submitted not later than December 1 of the school year preceding the school year in which the school district intends to operate as a public innovative district.

(b) The application shall include the following:

(1) A description of the educational programs of the public innovative district;
(2) a description of the interest and support for partnerships between the public innovative district, parents and the community;
(3) the specific goals and the measurable pupil outcomes to be obtained by operating as a public innovative district; and
(4) an explanation of how pupil performance in achieving the specified outcomes will be measured, evaluated and reported.

(c) (1) Within 90 days from the date such application is submitted, the state board shall review the application to determine compliance with this section, and shall approve or deny such application on or before the conclusion of such 90-day period. If the application is determined to be in compliance with this section, the state board shall approve such application and grant the school district authority to operate as a public innovative district. Notification of such approval shall be sent to the board of education of such school district within 10 days after such decision.

(2) If the state board determines such application is not in compliance with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments thereto, the state board shall deny such application. Notification of such denial shall be sent to the board of education of such school district within 10 days after such decision and shall specify the reasons therefor. Within 30 days from the date such notification is sent, the board of education of such school district may submit a request to the state board for reconsideration of the application and may submit an amended application with such request. The state board shall act on the request for reconsideration within 60 days of receipt of such request.

(d) A public innovative district shall:

(1) Not charge tuition for any of the pupils residing within the public innovative district;
(2) participate in all Kansas math and reading assessments applicable to such public innovative district, or an alternative assessment program for measuring student progress as determined by the board of education;
(3) abide by all financial and auditing requirements that are applicable to school districts, except that a public innovative district may
use generally accepted accounting principles;
(4) comply with all applicable health, safety and access laws; and
(5) comply with all statements set forth in the application submitted pursuant to subsection (a).

(e)(1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921 through 72-1930, and amendments thereto, or as required by the board of education of the public innovative district, a public innovative district shall be exempt from all laws and rules and regulations that are applicable to school districts.

(2) A public innovative district shall be subject to the special education for exceptional children act, the virtual school act, the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, the provisions of K.S.A. 72-8801 et seq., and amendments thereto, all laws governing the issuance of general obligation bonds by school districts, the provisions of K.S.A. 74-4901 et seq., and amendments thereto, and all laws governing the election of members of the board of education, the open meetings act as provided in K.S.A. 75-4317 et seq., and amendments thereto, and the open records act as provided in K.S.A. 45-215 et seq., and amendments thereto.

Sec. 61. K.S.A. 2016 Supp. 72-3607 is hereby amended to read as follows: 72-3607. (a) There is hereby established in every school district which has developed and is operating a parent education program for which grants are awarded under this act a fund which shall be called the parent education program fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from whatever source for a parent education program operated under this act shall be credited to the fund established by this section. Amounts deposited in the parent education program fund may be used exclusively for the payment of expenses directly attributable to the program or may be transferred to the general fund of the school district as approved by the board of education.

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

Sec. 62. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as follows: 72-3712. As used in the virtual school act:

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

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

c) Except as provided by the virtual school act, words and phrases shall have the meanings ascribed thereto in K.S.A. 2016 Supp. 72-6464 section 4, and amendments thereto.

Sec. 63. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as follows: 72-3715. (a) In order to be included in the full-time equivalent enrollment of a virtual school, a pupil student shall be in attendance at the virtual school on: (1) A single school day on or before September 19 of each school year; and (2) on a single school day on or after September 20, but before October 4 of each school year.

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

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

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

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

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

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

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

The state board of education shall determine the amount of virtual school state aid a school district is to receive as follows:
(1) For school year 2015-2016:

(A) Determine the number of pupils enrolled in virtual school on a full-time basis, excluding those pupils who are over 18 years of age, and multiply the total number of such pupils by $5,000, the foundation state aid per student as determined under section 4, and amendments thereto;

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

(C) For pupils enrolled in a virtual school who are over 18 years of age, determine the number of one-hour credit courses such pupils have passed, not to exceed six credit courses per school year, and multiply the total number of such courses by $933;

(D) Add the amounts calculated under subsections (d)(1)(A) through (d)(1)(C)(4). The resulting sum is the amount of virtual school state aid the school district shall receive.

(2) For school year 2016-2017:

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

(B) Determine the full-time equivalent enrollment of pupils enrolled in virtual school on a part-time basis, excluding those pupils who are over 18 years of age, and multiply the total full-time equivalent enrollment of such pupils by $1,700;

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

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

(3) For purposes of this subsection:

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

(B) "Part time" means attendance in a virtual school for less than six hours as determined pursuant to subsection (b);

(e) There is hereby established in every school district a fund which shall be called the virtual school fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a school district directly attributable to virtual schools offered by a school district may be paid from the virtual school fund. The cost of an advance placement course provided to a pupil by a virtual school shall be paid by the virtual school. Amounts deposited in the virtual
school fund may be transferred to the general fund of the school district as approved by the board of education.

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

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

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

(g) For purposes of this section:

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

(B) "Part-time" means attendance in a virtual school for less than six hours as determined pursuant to subsection (b).

Sec. 64. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as follows: 72-5333b. (a) The unified school district maintaining and operating a school on the Fort Leavenworth military reservation, being unified school district No. 207 of Leavenworth county, state of Kansas, shall have a governing body, which shall be known as the "Fort Leavenworth school district board of education" and which shall consist of three members who shall be appointed by, and serve at the pleasure of the commanding general of Fort Leavenworth. One member of the board shall be the president and one member shall be the vice-president. The commanding general, when making any appointment to the board, shall designate which of the offices the member so appointed shall hold. Except as otherwise expressly provided in this section, the district board and the officers thereof shall have and may exercise all the powers, duties, authority and jurisdiction imposed or conferred by law on unified school districts and boards of education thereof, except such school district shall not offer or operate any of grades 10 through 12.

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

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

Sec. 65. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as follows: 72-64b01. (a) No school district shall expend, use or transfer any moneys from the general fund of the district for the purpose of engaging in or supporting in any manner any litigation by the school district or any person, association, corporation or other entity against the state of Kansas, the state board of education, the state department of education, other state agency or any state officer or employee regarding the education finance act or any other law concerning school finance. No such moneys shall be paid, donated or otherwise provided to any person, association, corporation or other entity and used for the purpose of any such litigation.

(b) Nothing in section 15, and amendments thereto, or this section shall be construed as prohibiting the expenditure, use or transfer of moneys from the proceeds of any tax levied by a school district pursuant to K.S.A. 2016 Supp. 72-6472 section 19, and amendments thereto, for the purposes specified in subsection (a).

Sec. 66. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as follows: 72-64c03. The appropriation of moneys necessary to pay general state aid and supplemental general state aid under the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, and state aid for the provision of special education and related services under the special education for exceptional children act shall be given first priority in the legislative budgeting process and shall be paid first from existing state revenues.

Sec. 67. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as follows: 72-64c05. Article 6 of the constitution of the state of Kansas states that the legislature shall provide for intellectual, educational, vocational and scientific improvement by establishing and maintaining public schools; provide for a state board of education having general supervision of public schools, educational institutions and the educational interests of the state, except those delegated by law to the state board of regents; and make suitable provision for finance of the educational interests of the state. It is the purpose and intention of the legislature to provide a financing system for the education of kindergarten and grades one through 12 which provides students with the capacities set forth in K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing system shall be sufficiently flexible for the legislature to consider and
utilize financing methods from all available resources in order to satisfy the constitutional requirements under article 6. Such financing methods shall include, but are not limited to, the following:

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

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

(1) Financing to unified school districts through the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto;

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

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

(4) appropriations to the Kansas children's cabinet for programs serving students enrolled in unified school districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

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

(6) appropriations to any programs, such as communities in schools, which provide individualized support to students enrolled in unified school districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

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

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

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

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

(11) appropriations to the state board of regents to provide technical education incentives to unified school districts and tuition costs to postsecondary institutions which provide career technical education to secondary students; and
(12) appropriations to any postsecondary educational institution which provides postsecondary education to a secondary student without charging tuition to such student;

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

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

Sec. 68. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as follows: 72-6622. In the event that all of the property acquired by any two cities under the provisions of K.S.A. 3-404 et seq., and amendments thereto, is included within the territory of a unified school district in which only one of such cities is located:

(a) One-half of the assessed valuation of such property shall be assigned to each of the two school districts in which such cities are located for the purposes of determining the assessed valuation of each district for entitlement to: (1) Supplemental general state aid under section 17, and amendments thereto; and (2) payment from the school district capital improvements fund under K.S.A. 75-2319, and amendments thereto;

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

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

Sec. 69. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as follows: 72-6624. (a) As used in this section:

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

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

(3) "State aid" means general state aid, supplemental general state aid, capital improvements state aid, capital outlay state aid and any other state aid paid, distributed or allocated to school districts under the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, or other law, and any other state aid paid, distributed or allocated to school districts on the basis of the assessed valuation of school districts.
(b) For the purposes of computing the assessed valuation of school districts for the payment, distribution or allocation of state aid and the levying of school taxes, \(\frac{1}{4}\) of the assessed valuation of such property shall be assigned to each of the school districts.

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

Sec. 70. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as follows: 72-6625. (a) As used in this section:

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

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

(3) "State aid" means general state aid, supplemental general state aid, capital improvements state aid, capital outlay state aid and any other state aid paid, distributed or allocated to school districts under the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, or other law, and any other state aid paid, distributed or allocated to school districts on the basis of the assessed valuation of school districts.

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

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

Sec. 71. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as follows: 72-6757. (a) As used in this section:

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

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

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

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

(d) Pupils attending school in a receiving school district in accordance with a contract authorized by this section and made and entered into by such receiving school district with a sending school district located in this state shall be counted as regularly enrolled in and attending school in the sending school district for the purpose of computations under the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto.

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

1. The contract shall be for the benefit of pupils who reside at inconvenient or unreasonable distances from the schools maintained by the sending school district or for pupils who, for any other reason deemed sufficient by the board of education of the sending school district, should attend school in a receiving school district;
2. The contract shall make provision for the payment of tuition by the sending school district to the receiving school district;
3. If a sending school district is located in this state and the receiving school district is located in another state, the amount of tuition provided to be paid for the attendance of a pupil or pupils at school in the receiving school district shall not exceed \( \frac{1}{2} \) of the amount of the budget per pupil of the sending school district under the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, for the current school year; and
4. The contract shall make provision for transportation of pupils to and from the school attended on every school day.

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

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

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

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

Sec. 72. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as follows: 72-67,115. (a) The board of education of any school district may:

1. Offer and teach courses and conduct preschool programs for children under the age of eligibility to attend kindergarten.
(2) Enter into cooperative or interlocal agreements with one or more other boards for the establishment, operation and maintenance of such preschool programs.

(3) Contract with private, nonprofit corporations or associations or with any public or private agency or institution, whether located within or outside the state, for the establishment, operation and maintenance of such preschool programs.

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

(b) Fees for providing preschool programs shall be prescribed and collected only to recover the costs incurred as a result of and directly attributable to the establishment, operation and maintenance of the preschool programs. Revenues from fees collected by a board under this section shall be deposited in the general fund of the school district and shall be considered reimbursements to the district for the purpose of the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto, and may be expended whether the same have been budgeted or not and amounts so expended shall not be considered operating expenses.

Sec. 73. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as follows: 72-7535. (a) In order to equip students with the knowledge and skills needed to become self-supporting and to enable students to make critical decisions regarding personal finances, the state board of education shall authorize and assist in the implementation of programs on teaching personal financial literacy.

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

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

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

(e) The state board of education shall include questions relating to personal financial literacy in the statewide assessments for mathematics or
social studies required under K.S.A. 2016 Supp. 72-6479 section 44, and amendments thereto. When the statewide assessments for mathematics or social studies are reviewed or rewritten, the state board of education shall examine the questions relating to personal financial literacy and rewrite such questions in order to determine if programs on personal financial literacy are equipping students with the knowledge and skills needed to become self-supporting and enabling students to make critical decisions regarding personal finances.

Sec. 74. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as follows: 72-8187. (a) In each school year, to the extent that appropriations are available, each school district which has provided educational services for pupils residing at the Flint Hills job corps center, for pupils housed at a psychiatric residential treatment facility or for pupils confined in a juvenile detention facility is eligible to receive a grant of state moneys in an amount to be determined by the state board of education.

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

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

(d) All moneys received by a school district under authority of this section shall be deposited in the general fund of the school district and shall be considered reimbursement of the district for the purpose of the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et seq., and amendments thereto.

(e) The state board of education shall approve applications of school districts for grants, determine the amount of grants and be responsible for payment of grants to school districts. In determining the amount of a grant which a school district is eligible to receive, the state board shall compute the amount of state financial aid the district would have received on the basis of enrollment of pupils residing at the Flint Hills job corps center, housed at a psychiatric residential treatment facility or confined in a juvenile detention facility if such pupils had been counted as two pupils.
under the school district finance and quality performance act and compare
such computed amount to the amount certified by the district under
subsection (b). The amount of the grant the district is eligible to receive
shall be an amount equal to the lesser of the amount computed under this
subsection or the amount certified under subsection (b). If the amount of
appropriations for the payment of grants under this section is insufficient
to pay in full the amount each school district is determined to be eligible to
receive for the school year, the state board shall prorate the amount
appropriated among all school districts which are eligible to receive grants
of state moneys in proportion to the amount each school district is
determined to be eligible to receive.

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

(g) As used in this section:

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

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

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

Sec. 75. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as
follows: 72-8190. (a) For the purpose of determination of supplemental
general state aid under section 17, and amendments thereto, and payments
from the school district capital improvements fund under K.S.A. 75-2319,
and amendments thereto, notwithstanding any provision of either such
statutory section to the contrary, the term assessed valuation per pupil, as
applied to unified school district No. 203, Wyandotte county, shall not
include within its meaning the assessed valuation of property which is
owned by Sunflower Racing, Inc. and operated as a racetrack facility
known as the Woodlands. The meaning of assessed valuation per pupil as
provided in this subsection, for the purposes specified in this subsection,
and as applied to the unified school district designated in this subsection,
shall be in force and effect for the 1994-95 and 1995-96 school years.
(b) (1) In the event unified school district No. 203, Wyandotte county, receives in any school year the proceeds from any taxes which may be paid upon the Woodlands for the 1994-95 school year or the 1995-96 school year or for both such school years, the state board of education shall deduct an amount equal to the amount of such tax proceeds from future payments of state aid to which the district is entitled.

(2) For the purposes of this subsection, the term "state aid" means payments from the school district capital improvements fund.

Sec. 76. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as follows: 72-8230. (a) In the event the boards of education of any two or more school districts enter into a school district interlocal cooperation agreement for the purpose of jointly and cooperatively performing any of the services, duties, functions, activities, obligations or responsibilities which are authorized or required by law to be performed by school districts of this state, the following conditions shall apply:

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

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

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

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

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

(6) (A) The duration of a school district interlocal cooperation
agreement for joint or cooperative action in providing special education
services shall be perpetual unless the agreement is partially or completely
terminated in accordance with this provision. This provision applies to
every school district interlocal cooperation agreement for the provision of
special education services entered into under authority of this section after
the effective date of this act and to every such agreement entered into
under this section prior to the effective date of this act, and extant on the
effective date of this act, regardless of any provisions in such an agreement
to the contrary.

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

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

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

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

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

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

(b) Except as otherwise specifically provided in this subsection, any
power or powers, privileges or authority exercised or capable of exercise
by any school district of this state, or by any board of education thereof,
may be jointly exercised pursuant to the provisions of a school district
interlocal cooperation agreement. No power or powers, privileges or
authority with respect to the levy and collection of taxes, the issuance of
bonds, or the purposes and provisions of the classroom learning assuring
student success act, K.S.A. 2016 Supp. 72-6463 education finance act,
section 3 et seq., and amendments thereto, or title I of public law 874 shall
be created or effectuated for joint exercise pursuant to the provisions of a
school district interlocal cooperation agreement.

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

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

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

(f) As used in this section:

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

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

Sec. 77. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as follows: 72-8233. (a) In accordance with the provisions of this section, the boards of education of any two or more unified school districts may make and enter into agreements providing for the attendance of pupils residing in one school district at school in kindergarten or any of the grades one through 12 maintained by any such other school district. The boards of education may also provide by agreement for the combination of enrollments for kindergarten or one or more grades, courses or units of instruction.

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

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

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

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

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

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

(d) The board of education of any school district which enters into an agreement under authority of this section for the attendance of pupils at school in another school district may discontinue kindergarten or any or all of the grades, courses and units of instruction specified in the agreement for attendance of pupils enrolled in kindergarten or any such grades, courses and units of instruction at school in such other school district. Upon discontinuing kindergarten or any grade, course or unit of instruction
under authority of this subsection, the board of education may close any
school building or buildings operated or used for attendance by pupils
enrolled in such discontinued kindergarten, grades, courses or units of
instruction. The closing of any school building under authority of this
subsection shall require a majority vote of the members of the board of
education and shall require no other procedure or approval.

(e) Pupils attending school in a school district of nonresidence of
such pupils in accordance with an agreement made and entered into under
authority of this section shall be counted as regularly enrolled in and
attending school in the school district of residence of such pupils for the
purpose of computations under the classroom learning assuring student-
success act, K.S.A. 2016 Supp. 72-6463 education finance act, section 3 et
seq., and amendments thereto.

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

Sec. 78. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as
follows: 72-8236. (a) The board of education of any school district may:
(1) Establish, operate and maintain a child care facility; (2) enter into
cooperative or interlocal agreements with one or more other boards for the
establishment, operation and maintenance of a child care facility; (3)
contract with private, nonprofit corporations or associations or with any
public or private agency or institution, whether located within or outside
the state, for the establishment, operation and maintenance of a child care
facilitie; and (4) prescribe and collect fees for providing care at a child care
facility.

(b) Fees for providing care at a child care facility established under
authority of this section shall be prescribed and collected only to recover
the costs incurred as a result of and directly attributable to the
establishment, operation and maintenance of the child care facility. Revenues from fees collected by a board under this section shall be
deposited in the general fund of the school district and shall be considered
reimbursements to the district for the purpose of the classroom learning
assuring student success act, K.S.A. 2016 Supp. 72-6463 education
finance act, section 3 et seq., and amendments thereto, and may be
expended whether the same have been budgeted or not and amounts so
expended shall not be considered operating expenses.

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

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

Sec. 79. K.S.A. 2016 Supp. 72-8237 is hereby amended to read as follows: 72-8237. (a) The board of education of any school district may: (1) Establish, operate and maintain a summer program for pupils; (2) enter into cooperative or interlocal agreements with one or more other boards of education for the establishment, operation and maintenance of a summer program for pupils; and (3) prescribe and collect fees for providing a summer program for pupils or provide such program without charge.

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

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

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

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

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

Sec. 80. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as
follows: 72-8249. (a) There is hereby established in every school district a special reserve fund. Moneys in such fund shall be used to:

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

(2) pay costs relating to uninsured losses; and

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

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

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

Sec. 81. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as follows: 72-8250. (a) There is hereby established in every school district a textbook and student materials revolving fund. Moneys in such fund shall be used to:

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

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

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

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

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

Any unencumbered balance of moneys remaining in the textbook and student materials revolving fund of a school district on June 30 of the
current school year may be expended in the school year that immediately
succeeds such date by the school district for general operating expenses of
the school district as approved by the board of education in an amount not
to exceed 1/3 of such balance in the school district's textbook and student
materials revolving fund.

Sec. 82. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as
follows: 72-8251. Whenever a school district is required by law to make
any payment during the month of June and there is insufficient revenue to
make such payment as a result of the payment of state aid after the date
prescribed by the state board of education pursuant to K.S.A. 2016 Supp.
72-6466 section 7, and amendments thereto, the school district shall make
such payment as soon as moneys are available.

Sec. 83. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as
follows: 72-8302. (a) The board of education of a school district may
provide or furnish transportation for pupils who are enrolled in the school
district to or from any school of the school district or to or from any school
of another school district attended by such pupils in accordance with the
provisions of an agreement entered into under authority of K.S.A. 72-
8233, and amendments thereto.

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

(A) The residence of the pupil is inside or outside the corporate limits
of a city, the school building attended is outside the corporate limits of a
city and the school building attended is more than 2 1/2 miles by the usually
traveled road from the residence of the pupil; or

(B) The residence of the pupil is outside the corporate limits of a city,
the school building attended is inside the corporate limits of a city and the
school building attended is more than 2 1/2 miles by the usually traveled
road from the residence of the pupil; or

(C) The residence of the pupil is inside the corporate limits of one city,
the school building attended is inside the corporate limits of a different city
and the school building attended is more than 2 1/2 miles by the usually
traveled road from the residence of the pupil.

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

(c) The board of education of every school district is authorized to
adopt rules and regulations to govern the conduct, control and discipline of
all pupils while being transported in school buses. The board may suspend
or revoke the transportation privilege or entitlement of any pupil who
violates any rules and regulations adopted by the board under authority of
this subsection.
(d) The board of education of every school district may suspend or
revoke the transportation privilege or entitlement of any pupil who is
detained at school at the conclusion of the school day for violation of any
rules and regulations governing pupil conduct or for disobedience of an
order of a teacher or other school authority. Suspension or revocation of
the transportation privilege or entitlement of any pupil specified in this
subsection shall be limited to the school day or days on which the pupil is
detained at school. The provisions of this subsection do not apply to any
pupil who has been determined to be an exceptional child, except gifted
children, under the provisions of the special education for exceptional
children act.
(e) (1) Subject to the limitations specified in this subsection, the
board of education of any school district may prescribe and collect fees to
offset, totally or in part, the costs incurred for the provision or furnishing
of transportation for pupils. The limitations which apply to the
authorization granted by this subsection are as follows:
(A) Fees for the provision or furnishing of transportation for pupils
shall be prescribed and collected only to recover the costs incurred as a
result of and directly attributable to the provision or furnishing of
transportation for pupils and only to the extent that such costs are not
reimbursed from any other source provided by law;
(B) fees for the provision or furnishing of transportation may not be
assessed against or collected from any pupil who is counted in determining
the transportation weighting of the school district under the education
finance act, section 3 et seq., and amendments thereto, or any pupil who is
determined to be a child with disabilities under the provisions of the
special education for exceptional children act or any pupil who is eligible
for free or reduced price meals under the national school lunch act or any
pupil who is entitled to transportation under the provisions of K.S.A. 72-
8306(a), and amendments thereto, and who resides 2½ miles or more by
the regular route of a school bus from the school attended;
(C) fees for the provision or furnishing of transportation for pupils in
accordance with the provisions of an agreement entered into under
authority of K.S.A. 72-8233 or 72-8307, and amendments thereto, shall be
controlled by the provisions of the agreement.
(2) All moneys received by a school district from fees collected under
this subsection shall be deposited in the general fund of the district.
Sec. 84. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as
follows: 72-8309. (a) The board of education of a school district shall not
furnish or provide transportation for pupils or students who reside in
another school district except in accordance with the written consent of the
board of education of the school district in which such pupil or student
resides, or in accordance with an order issued by a board of education
under the provisions of K.S.A. 72-1046b, and amendments thereto, or in
accordance with the provisions of an agreement entered into under
authority of K.S.A. 72-8233, and amendments thereto.

(b) A school district may transport a nonresident pupil or student if
such pupil or student boards the school bus within the boundaries or on the
boundary of the transporting school district. To the extent that the
provisions of this subsection conflict with the provisions of subsection (a),
the provisions of subsection (a) shall control.

(c) No pupil who is furnished or provided transportation by a school
district that is not the school district in which the pupil resides shall be
counted in the computation of the school district's transportation
weighting under the education finance act, section 3 et seq., and
amendments thereto.

Sec. 85. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as
follows: 72-8316. (a) Any board of education, pursuant to a policy
developed and adopted by it, may provide for the use of district-owned or
leased school buses when such buses are not being used for regularly
required school purposes. The policy may provide for:

(1) (A) Transporting parents and other adults to or from school-
related functions or activities; (B) transporting pupils to or from functions
or activities sponsored by organizations, the membership of which is
principally composed of children of school age; and (C) transporting
persons engaged in field trips in connection with their participation in an
adult education program maintained by the transporting school district or
by any other school district, within or outside the boundaries of the
transporting school district; and

(2) contracting with: (A) The governing body of any township, city or
county for transportation of individuals, groups or organizations; (B) the
governing authority of any nonpublic school for transportation of pupils
attending such nonpublic school to or from interschool or intraschool
functions or activities; (C) the board of trustees of any community college
for transportation of students enrolled in such community college to or
from attendance at class at the community college or to and from functions
or activities of the community college; (D) a public recreation commission
established and operated under the laws of this state, for any purposes
related to the operation of the recreation commission and all programs and
services thereof; (E) the board of education of any other school district for
transportation, on a cooperative and shared-cost basis, of pupils, school
personnel, parents and other adults to or from school-related functions or
activities; or (F) a four-year college or university, area vocational school or
area vocational-technical school for transportation of students to or from
attendance at class at the four-year college or university, area vocational
school or area vocational-technical school or for transportation of students,
alumni and other members of the public to or from functions or activities
of the four-year college or university, area vocational school or area
vocational-technical school.

(b) The costs related to the use of school buses under the authority of
this section shall not be considered in determining the transportation
weighting of a school district under the education finance act, section 3, et
seq., and amendments thereto.

(b) (c) Transportation fees may be charged by the board to offset,
totally or in part, the costs incurred for the use of school buses under
authority of this section.

(c) (d) Any revenues received by a board of education as
transportation fees or under any contract entered into pursuant to this
section shall be deposited in the general fund of the school district and
shall be considered reimbursements to the school district for the purpose of
the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-
6463 education finance act, section 3 et seq., and amendments thereto.
Such revenues may be expended whether the same have been budgeted or
not.

(d) The provisions of K.S.A. 8-1556(c), and amendments thereto,
apply to the use of school buses under authority of this section.

Sec. 86. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as
follows: 72-8415b. (a) Any school district that elects to become a self-
insurer under the provisions of K.S.A. 72-8414, and amendments thereto,
may transfer moneys from its general fund to the special reserve fund of
the district as provided by K.S.A. 2016 Supp. 72-6478 section 40, and
amendments thereto.

(b) Any community college that elects to become a self-insurer under
the provisions of K.S.A. 72-8414, and amendments thereto, may transfer
such amounts from its general fund to the health care services reserve fund
or the disability income benefits reserve fund, or the group life benefit
reserve fund, or all three, as may be deemed necessary to meet the cost of
health care services or disability income benefits, or group life insurance
claims, whichever is applicable.

Sec. 87. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as
follows: 72-8801. (a) The board of education of any school district may
make an annual tax levy at a mill rate not to exceed the statutorily
prescribed mill rate upon the taxable tangible property in the school
district for the purposes specified in this act and, with respect to any
redevelopment district established prior to July 1, 2017, pursuant to
K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. No levy shall be made under this act until a resolution is adopted by the board of education in the following form:

Unified School District No. ______,

________________________ County, Kansas.

Be It Resolved that:

The above-named school board shall be authorized to make an annual tax levy for a period not to exceed ______ years in an amount not to exceed _____ mills upon the taxable tangible property in the school district for the purpose of acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Acquisition of computer software; (2) acquisition of performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board; (4) architectural expenses; (5) acquisition of building sites; (6) undertaking and maintenance of asbestos control projects; (7) acquisition of school buses; and (8) acquisition of other fixed assets, and, with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. The tax levy authorized by this resolution may be made, unless a petition in opposition to the same, signed by not less than 10% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 40 calendar days after the last publication of this resolution. In the event a petition is filed, the county election officer shall submit the question of whether the tax levy shall be authorized to the electors in the school district at an election called for that purpose or at the next general election, as is specified by the board of education of the above 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 above resolution shall be appropriately filled.
The blank preceding the word "years" shall be filled with a specific number, and the blank preceding the word "mills" shall be filled with a specific number, and no word shall be inserted in either of the blanks. The resolution shall be published once a week for two consecutive weeks in a newspaper having general circulation in the school district. If no petition as specified above is filed in accordance with the provisions of the resolution, the board of education may make the tax levy specified in the resolution. If a petition is filed as provided in the resolution, the board of education may notify the county election officer of the date of an election to be held to submit the question of whether the tax levy shall be authorized. If the board of education fails to notify the county election officer within 60 calendar days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board of education within the nine months following the first publication of the resolution.

(b) As used in this act:

(1) "Unconditionally authorized to make a capital outlay tax levy" means that the school district has adopted a resolution under this section, has published the same, and either that the resolution was not protested or that it was protested and an election has been held by which the tax levy specified in the resolution was approved;

(2) "statutorily prescribed mill rate" means: (A) Eight mills; (B) the mill levy rate in excess of eight mills if the resolution fixing such rate was approved at an election prior to the effective date of this act; or (C) the mill levy rate in excess of eight mills if no petition or no sufficient petition was filed in protest to a resolution fixing such rate in excess of eight mills and the protest period for filing such petition has expired;

(3) "asbestos control project" means any activity which is necessary or incidental to the control of asbestos-containing material in buildings of school districts and includes, but not by way of limitation, any activity undertaken for the removal or encapsulation of asbestos-containing material, for any remodeling, renovation, replacement, rehabilitation or other restoration necessitated by such removal or encapsulation, for conducting inspections, reinspections and periodic surveillance of buildings, performing response actions, and developing, implementing and updating operations and maintenance programs and management plans;

(4) "asbestos" means the asbestiform varieties of chrysotile (serpentine), crocidolite (riebeckite), amosite (cummingtonite-grunerite), anthophyllite, tremolite, and actinolite; and

(5) "asbestos-containing material" means any material or product which contains more than 1% asbestos.

Sec. 88. K.S.A. 72-8803 is hereby amended to read as follows: 72-8803. There is hereby established in every school district of the state a
fund which shall be called the capital outlay fund. The capital outlay fund shall consist of all moneys deposited therein or transferred thereto in accordance with law. The proceeds of any tax levied under article 88 of chapter 72 of Kansas Statutes Annotated, and amendments thereto, shall be deposited in the capital outlay fund of the school district making such levy, except for an amount to pay a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district, shall be deposited in the capital outlay fund of the school district making such levy with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto.

Sec. 89. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as follows: 72-8804. (a) Any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 72-8805 or 72-8810, and amendments thereto, may be used for the purpose of the acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Acquisition of computer software; (2) acquisition of performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board of education; (4) architectural expenses; (5) acquisition of building sites; (6) undertaking and maintenance of asbestos control projects; (7) acquisition of school buses; and (8) acquisition of other fixed assets, and, for school years 2015-2016 and 2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and amendments thereto, may be transferred to the general fund of the school district as approved by the board of education.

(b) The board of education of any school district is hereby authorized to invest any portion of the capital outlay fund of the school district which is not currently needed in investments authorized by K.S.A. 12-1675, and amendments thereto, in the manner prescribed therein, or may invest the same in direct obligations of the United States government maturing or redeemable at par and accrued interest within three years from date of purchase, the principal and interest whereof is guaranteed by the government of the United States. All interest received on any such investment shall upon receipt thereof be credited to the capital outlay fund.

Sec. 90. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as follows: 72-8908. As used in this act:

(a) "Juvenile" means a person who is less than 18 years of age;
(b) "adult" means a person who is 18 years of age or older;
(c) "felony" means any crime designated a felony by the laws of Kansas or the United States;
(d) "misdemeanor" means any crime designated a misdemeanor by
the laws of Kansas or the United States;
(e) "school day" means any day on which school is maintained;
(f) "school year" has the meaning ascribed thereto in K.S.A. 2016
Supp. 72-6464 section 4, and amendments thereto;
(g) "counsel" means any person a pupil selects to represent and
advise the pupil at all proceedings conducted pursuant to the provisions of
this act; and
(h) "principal witness" means any witness whose testimony is of
major importance in support of the charges upon which a proposed
suspension or expulsion from school is based, or in determination of
material questions of fact.

Sec. 91. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as
follows: 72-9509. (a) There is hereby established in every school district a
fund which shall be called the bilingual education fund, which fund shall
consist of all moneys deposited therein or transferred thereto according to
law. Amounts deposited in the bilingual education fund may be used for
the payment of expenses directly attributable to bilingual education or may
be transferred to the general fund of the school district as approved by the
board of education. The expenses of a school district directly attributable
to such bilingual education programs shall be paid from the bilingual
education fund.
(b) Any balance remaining in the bilingual education fund at the end
of the budget year shall be carried forward into the bilingual education
fund for succeeding budget years. Such fund shall not be subject to the
provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
In preparing the budget of such school district, the amounts credited to and
the amount on hand in the bilingual education fund, and the amount
expended therefrom shall be included in the annual budget for the
information of the residents of the school district. Interest earned on the
investment of moneys in any such fund shall be credited to that fund.
Any unencumbered balance of moneys remaining in the bilingual
education fund of a school district on June 30 of the current school year
may be expended in the school year that immediately succeeds such date
by the school district for general operating expenses of the school district
as approved by the board of education.
(c) Each year the board of education of each school district shall
prepare and submit to the state board a report on the bilingual education
program and assistance provided by the district. Such report shall include
information specifying the number of pupils who were served or provided
assistance, the type of service provided, the research upon which the
district relied in determining that a need for service or assistance existed,
the results of providing such service or assistance and any other
information required by the state board.

Sec. 92. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as follows: 72-9609. There is hereby established in every school district a fund which shall be called the professional development fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district from whatever source for professional development programs established under this act shall be credited to the fund established by this section. Amounts deposited in the professional development fund may be used for the payment of expenses directly attributable to professional development or may be transferred to the general fund of the school district as approved by the board of education. The expenses of a school district directly attributable to professional development programs shall be paid from the professional development fund.

Any unencumbered balance of moneys remaining in the professional development fund of a school district on June 30 of the current school year may be expended in the school year that immediately succeeds such date by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 93. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as follows: 72-99a02. As used in the tax credit for low income students scholarship program act:

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

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

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

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

(1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407, prior to its repeal, and who is attending a public school; or (B) has been eligible to receive an educational scholarship under this program and has not graduated from high school or reached 21 years of age;

(2) resides in Kansas while eligible for an educational scholarship;

(3) (A) was enrolled in any public school in the previous school year in which an educational scholarship is first sought for the child; or (B) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is under the age of six years.
(e) "Parent" includes a guardian, custodian or other person with authority to act on behalf of the child.

(f) "Program" means the tax credit for low income students scholarship program established in K.S.A. 2016 Supp. 72-99a01 through 72-99a07, and amendments thereto.

(g) "Public school" means a school that would qualify as either a title I focus school or a title I priority school as described by the state board under the elementary and secondary education act flexibility waiver as amended in January 2013 and is operated by a school district.

(h) "Qualified school" means any nonpublic school that provides education to elementary or secondary students, has notified the state board of its intention to participate in the program and complies with the requirements of the program.

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

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

(k) "School year" shall have the meaning ascribed thereto in K.S.A. 2016 Supp. 72-6464 section 4, and amendments thereto.

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

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

Sec. 94. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as follows: 74-4939a. On and after the effective date of this act for each fiscal year commencing with fiscal year 2005, notwithstanding the provisions of K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys appropriated for the department of education from the state general fund commencing with fiscal year 2005, and each ensuing fiscal year thereafter, by appropriation act of the legislature, in the KPERS — employer contributions account and all moneys appropriated for the department of education from the state general fund or any special revenue fund for each fiscal year commencing with fiscal year 2005, and each ensuing fiscal year thereafter, by any such appropriation act in that account or any other account for payment of employer contributions for school districts, shall be distributed by the department of education to school districts in accordance with this section. Notwithstanding the provisions of K.S.A. 74-4939, and amendments thereto, for school year 2015-2016, the department of education shall disburse to each school district that is an eligible employer as specified in K.S.A. 74-4931(1), and amendments thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and amendments thereto, which shall be disbursed pursuant to K.S.A. 2016 Supp. 72-6465, and amendments thereto. Notwithstanding the provisions
of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017, the department of education shall disburse to each school district that is an eligible employer as specified in K.S.A. 74-4931(1), and amendments thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4), and amendments thereto, which shall be disbursed pursuant to K.S.A. 2016 Supp. 72-6465, and amendments thereto certified by the board of trustees of the Kansas public employees retirement system that is equal to the participating employer's obligation of such school district to the system in accordance with policies and procedures that are hereby authorized and directed to be adopted by the state board of education for the purposes of this section and in accordance with any requirements prescribed by the board of trustees of the Kansas public employees retirement system. Upon receipt of each such disbursement of moneys, the school district shall deposit the entire amount thereof into a special retirement contributions fund of the school district, which shall be established by the school district in accordance with such policies and procedures and which shall be used for the sole purpose of receiving such disbursements from the department of education and making the remittances to the system in accordance with this section and such policies and procedures. Upon receipt of each such disbursement of moneys from the department of education, the school district shall remit, in accordance with the provisions of such policies and procedures and in the manner and on the date or dates prescribed by the board of trustees of the Kansas public employees retirement system, an equal amount to the Kansas public employees retirement system from the special retirement contributions fund of the school district to satisfy such school district's obligation as a participating employer. Notwithstanding the provisions of K.S.A. 74-4939, and amendments thereto, each school district that is an eligible employer as specified in K.S.A. 74-4931(1), and amendments thereto, shall show within the budget of such school district all amounts received from disbursements into the special retirement contributions fund of such school district. Notwithstanding the provisions of any other statute, no official action of the school board of such school district shall be required to approve a remittance to the system in accordance with this section and such policies and procedures. All remittances of moneys to the system by a school district in accordance with this subsection and such policies and procedures shall be deemed to be expenditures of the school district.

Sec. 95. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as follows: 74-8925. (a) For the purposes of this act, the term "taxing subdivision" shall include the county, the city, the unified school district and any other taxing subdivision levying real property taxes, the territory or jurisdiction of which includes any currently existing or subsequently created redevelopment district. The term "real property taxes" includes all
taxes levied on an ad valorem basis upon land and improvements thereon, other than the property tax levied pursuant to the provisions of K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto, or any other property tax levied by or on behalf of a school district.

(b) All tangible taxable property located within a redevelopment district shall be assessed and taxed for ad valorem tax purposes pursuant to law in the same manner that such property would be assessed and taxed if located outside such district, and all ad valorem taxes levied on such property shall be paid to and collected by the county treasurer in the same manner as other taxes are paid and collected. Except as otherwise provided in this section, the county treasurer shall distribute such taxes as may be collected in the same manner as if such property were located outside a redevelopment district. Each redevelopment district established under the provisions of this act shall constitute a separate taxing unit for the purpose of the computation and levy of taxes.

(c) Beginning with the first payment of taxes which are levied following the date of approval of any redevelopment district established pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes received by the county treasurer resulting from taxes which are levied subject to the provisions of this act by and for the benefit of a taxing subdivision, as herein defined, on property located within such redevelopment district constituting a separate taxing unit under the provisions of this section, shall be divided as follows:

1. From the taxes levied each year subject to the provisions of this act by or for each of the taxing subdivisions upon property located within a redevelopment district constituting a separate taxing unit under the provisions of this act, the county treasurer first shall allocate and pay to each such taxing subdivision all of the real property taxes collected which are produced from that portion of the current assessed valuation of such real property located within such separate taxing unit which is equal to the total assessed value of such real property on the date of the establishment of the redevelopment district.

2. Any real property taxes produced from that portion of the current assessed valuation of real property within the redevelopment district constituting a separate taxing unit under the provisions of this section in excess of an amount equal to the total assessed value of such real property on the effective date of the establishment of the district shall be allocated and paid by the county treasurer according to specified percentages of the tax increment expressly agreed upon and consented to by the governing bodies of the county and school district in which the redevelopment district is located. The amount of the real property taxes allocated and payable to the authority under the agreement shall be paid by the county treasurer to the treasurer of the state. The remaining amount of the real
property taxes not payable to the authority shall be allocated and paid in
the same manner as other ad valorem taxes. Any real property taxes paid to
the state treasurer under this section shall be deposited in the
redevelopment bond finance fund of the authority which is created
pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of
any approved redevelopment project, including the payment of principal of
and interest on any bonds issued by the authority to finance, in whole or in
part, such project. When such bonds and interest thereon have been paid,
all moneys thereafter received from real property taxes within such
redevelopment district shall be allocated and paid to the respective taxing
subdivisions in the same manner as are other ad valorem taxes. If such
bonds and interest thereon have been paid before the completion of a
project, the authority may continue to use such moneys for any purpose
authorized by the redevelopment agreement until such time as the project
costs are paid or reimbursed, but for a period not to exceed the final
scheduled maturity of the bonds.

(d) In any redevelopment plan or in the proceedings for the issuing of
any bonds by the authority to finance a project, the property tax increment
portion of taxes provided for in subsection (c)(2) may be irrevocably
pledged for the payment of the principal of and interest on such bonds. The
authority may adopt a redevelopment plan in which only a specified
percentage of the tax increment realized from taxpayers in the
redevelopment district is pledged to the payment of costs.

Sec. 96. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as
follows: 74-99b43. (a) The Kansas development finance authority is
hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-
8901 et seq., and amendments thereto, in one or more series to finance the
undertaking of any bioscience development project in accordance with the
provisions of this act. No special obligation bonds may be issued pursuant
to this section unless the Kansas development finance authority has
received a resolution of the board of the authority requesting the issuance
of such bonds. Such special obligation bonds shall be made payable, both
as to principal and interest from one or more of the following, as directed
by the authority:

(1) From ad valorem tax increments allocated to, and paid into the
bioscience development bond fund for the payment of the project costs of
a bioscience development project under the provisions of this section;
(2) from any private sources, contributions or other financial
assistance from the state or federal government;
(3) from a pledge of a portion or all of the revenue received from
transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et
seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments
thereto, and which are collected from taxpayers doing business within that
portion of the bioscience development district and paid into the bioscience
development bond fund;

(4) from a pledge of a portion or all increased revenue received by
any city from franchise fees collected from utilities and other businesses
using public right-of-way within the bioscience development district; or

(5) by any combination of these methods.

(b) All tangible taxable property located within a bioscience
development district shall be assessed and taxed for ad valorem tax
purposes pursuant to law in the same manner that such property would be
assessed and taxed if located outside such district, and all ad valorem taxes
levied on such property shall be paid to and collected by the county
treasurer in the same manner as other taxes are paid and collected. Except
as otherwise provided in this section, the county treasurer shall distribute
such taxes as may be collected in the same manner as if such property
were located outside a bioscience development district. Each bioscience
development district established under the provisions of this act shall
constitute a separate taxing unit for the purpose of the computation and
levy of taxes.

(c) Beginning with the first payment of taxes which are levied
following the date of the establishment of the bioscience development
district real property taxes received by the county treasurer resulting from
taxes which are levied subject to the provisions of this act by and for the
benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,
and amendments thereto, on property located within such bioscience
development district constituting a separate taxing unit under the
provisions of this section, shall be divided as follows:

(1) From the taxes levied each year subject to the provisions of this
act by or for each of the taxing subdivisions upon property located within a
bioscience development district constituting a separate taxing unit under
the provisions of this act, the county treasurer first shall allocate and pay to
each such taxing subdivision all of the real property taxes collected which
are produced from the base year assessed valuation.

(2) Any real property taxes, except for property taxes levied for
schools pursuant to K.S.A. 2016 Supp. 72-6470 section 14, and
amendments thereto, produced from that portion of the current assessed
valuation of real property within the bioscience development district
constituting a separate taxing unit under the provisions of this section in
excess of the base year assessed valuation shall be allocated and paid by
the county treasurer to the bioscience development bond fund to pay the
bioscience development project costs including the payment of principal
and interest on any special obligation bonds to finance, in whole or in part,
such bioscience development projects.

(d) The authority may pledge the bioscience development bond fund
or other available revenue to the repayment of such special obligation bonds prior to, simultaneously with, or subsequent to the issuance of such special obligation bonds.

(e) Any bonds issued under the provisions of this act and the interest paid thereon, unless specifically declared to be taxable in the authorizing resolution of the Kansas development finance authority, shall be exempt from all state, county and municipal taxes, and the exemption shall include income, estate and property taxes.

Sec. 97. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as follows: 75-2319. (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) Subject to the provisions of subsection (e), 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 as follows:

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

(B) determine the median AVPP assessed valuation per student of all school districts;

(C) prepare a schedule of dollar amounts using the amount of the median AVPP assessed valuation per student 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 assessed valuation per student of the school district with the highest AVPP assessed valuation per student 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 assessed valuation per student of the school district with the lowest AVPP assessed valuation per student 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 assessed valuation per student shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP assessed valuation per student by one percentage point for each $1,000 interval above the amount of the median AVPP assessed valuation per student, and increasing the state aid computation percentage assigned
to the amount of the median **AVPP assessed valuation per student** by one percentage point for each $1,000 interval below the amount of the median **AVPP assessed valuation per student**. Except as provided by K.S.A. 2016 Supp. 75-2319c, 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 assessed valuation per student** 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 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. 2016 Supp. 75-2319c, 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)
Subject to the provisions of subsections (b)(2) and (b)(3), the product is the amount of payment the school district is entitled to shall receive from the school district capital improvements fund in the school year.

(4) (2) (A) 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) In the event the total amount of payments from the school district capital improvements fund for general obligation bonds approved for issuance at an election held on or after July 1, 2016, as determined under subsection (b)(1) exceeds the six-year average, the state board of education shall prioritize the allocations disbursements to school districts from the school district capital improvements fund, subject to clause (ii), 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 the 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 assessed valuation per student 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) 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.

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts total amount of capital improvement state aid school districts are to receive as 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, 2013, June 30, 2014, June 30, 2015, and June 30, 2016, 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. 98. K.S.A. 2016 Supp. 79-201x is hereby amended to read as
follows: 79-201x. For taxable years 2015 and 2016 2017 and 2018, 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. 2016 Supp. 72-6470 section 14, and amendments thereto: Property
used for residential purposes to the extent of $20,000 of its appraised
valuation.

Sec. 99. K.S.A. 2016 Supp. 79-213 is hereby amended to read as
follows: 79-213. (a) Any property owner requesting an exemption from the
payment of ad valorem property taxes assessed, or to be assessed, against
their property shall be required to file an initial request for exemption, on
forms approved by the state board of tax appeals and provided by the
county appraiser.

(b) The initial exemption request shall identify the property for which
the exemption is requested and state, in detail, the legal and factual basis
for the exemption claimed.

(c) The request for exemption shall be filed with the county appraiser
of the county where such property is principally located.

(d) After a review of the exemption request, and after a preliminary
examination of the facts as alleged, the county appraiser shall recommend
that the exemption request either be granted or denied, and, if necessary,
that a hearing be held. If a denial is recommended, a statement of the
controlling facts and law relied upon shall be included on the form.

(e) The county appraiser, after making such written recommendation,
shall file the request for exemption and the recommendations of the county
appraiser with the state board of tax appeals. With regard to a request for
exemption from property tax pursuant to the provisions of K.S.A. 79-201g
and 82a-409, and amendments thereto, not filed with the board of tax
appeals by the county appraiser on or before the effective date of this act,
if the county appraiser recommends the exemption request be granted, the
exemption shall be provided in the amount recommended by the county
appraiser and the county appraiser shall not file the request for exemption
and recommendations of the county appraiser with the state board of tax
appeals. The county clerk or county assessor shall annually make such
adjustment in the taxes levied against the real property as the owner may
be entitled to receive under the provisions of K.S.A. 79-201g, and
amendments thereto, as recommended by the county appraiser, beginning
with the first period, following the date of issue of the certificate of
completion on which taxes are regularly levied, and during the years
which the landowner is entitled to such adjustment.

(f) Upon receipt of the request for exemption, the board shall docket
the same and notify the applicant and the county appraiser of such fact.

(g) After examination of the request for exemption and the county
appraiser's recommendation related thereto, the board may fix a time and
place for hearing, and shall notify the applicant and the county appraiser of
the time and place so fixed. A request for exemption pursuant to: (1)
Section 13 of article 11 of the constitution of the state of Kansas; or (2)
K.S.A. 79-201a Second, and amendments thereto, for property constructed
or purchased, in whole or in part, with the proceeds of revenue bonds
under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and
amendments thereto, prepared in accordance with instructions and
assistance which shall be provided by the department of commerce, shall
be deemed approved unless scheduled for hearing within 30 days after the
date of receipt of all required information and data relating to the request
for exemption, and such hearing shall be conducted within 90 days after
such date. Such time periods shall be determined without regard to any
extension or continuance allowed to either party to such request. In any
case where a party to such request for exemption requests a hearing
thereon, the same shall be granted. Hearings shall be conducted in
accordance with the provisions of the Kansas administrative procedure act.
In all instances where the board sets a request for exemption for hearing,
the county shall be represented by its county attorney or county counselor.
(h) Except as otherwise provided by subsection (g), in the event of a
hearing, the same shall be originally set not later than 90 days after the
filing of the request for exemption with the board.
(i) During the pendency of a request for exemption, no person, firm,
unincorporated association, company or corporation charged with real
estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
2004a, and amendments thereto, on the tax books in the hands of the
county treasurer shall be required to pay the tax from the date the request
is filed with the county appraiser until the expiration of 30 days after the
board issued its order thereon and the same becomes a final order. In the
event that taxes have been assessed against the subject property, no interest
shall accrue on any unpaid tax for the year or years in question nor shall
the unpaid tax be considered delinquent from the date the request is filed
with the county appraiser until the expiration of 30 days after the board
issued its order thereon. In the event the board determines an application
for exemption is without merit and filed in bad faith to delay the due date
of the tax, the tax shall be considered delinquent as of the date the tax
would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and
amendments thereto, and interest shall accrue as prescribed therein.
(j) In the event the board grants the initial request for exemption, the
same shall be effective beginning with the date of first exempt use except
that, with respect to property the construction of which commenced not to
exceed 24 months prior to the date of first exempt use, the same shall be
effective beginning with the date of commencement of construction.
(k) In conjunction with its authority to grant exemptions, the board
shall have the authority to abate all unpaid taxes that have accrued from
and since the effective date of the exemption. In the event that taxes have
been paid during the period where the subject property has been
determined to be exempt, the board shall have the authority to order a
refund of taxes for the year immediately preceding the year in which the
exemption application is filed in accordance with subsection (a).

(l) The provisions of this section shall not apply to: (1) Farm
machinery and equipment exempted from ad valorem taxation by K.S.A.
79-201j, and amendments thereto; (2) personal property exempted from ad
valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
apparel, household goods and personal effects exempted from ad valorem
taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
property exempted from ad valorem taxation by K.S.A. 79-201d, and
amendments thereto; (6) merchants' and manufacturers' inventories
exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
and amendments thereto; (8) property exempted from ad valorem taxation
by K.S.A. 79-201a Seventeenth, and amendments thereto, including all
property previously acquired by the secretary of transportation or a
predecessor in interest, which is used in the administration, construction,
maintenance or operation of the state system of highways. The secretary of
transportation shall at the time of acquisition of property notify the county
apraiser in the county in which the property is located that the acquisition
occurred and provide a legal description of the property acquired; (9)
property exempted from ad valorem taxation by K.S.A. 79-201a Ninth,
and amendments thereto, including all property previously acquired by the
Kansas turnpike authority which is used in the administration,
construction, maintenance or operation of the Kansas turnpike. The Kansas
turnpike authority shall at the time of acquisition of property notify the
county appraiser in the county in which the property is located that the
acquisition occurred and provide a legal description of the property acquired; (10) aquaculture machinery and equipment exempted from ad
valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
this section, "aquaculture" has the same meaning ascribed thereto by
K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
amendments thereto; (12) property used exclusively by the state or any
municipality or political subdivision of the state for right-of-way purposes.
The state agency or the governing body of the municipality or political
subdivision shall at the time of acquisition of property for right-of-way
purposes notify the county appraiser in the county in which the property is
located that the acquisition occurred and provide a legal description of the
property acquired; (13) machinery, equipment, materials and supplies
exempted from ad valorem taxation by K.S.A. 79-201w, and amendments thereto; (14) vehicles owned by the state or by any political or taxing subdivision thereof and used exclusively for governmental purposes; (15) property used for residential purposes which is exempted pursuant to K.S.A. 79-201x, and amendments thereto, from the property tax levied pursuant to K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto; (16) from and after July 1, 1998, vehicles which are owned by an organization having as one of its purposes the assistance by the provision of transit services to the elderly and to disabled persons and which are exempted pursuant to K.S.A. 79-201 Ninth, and amendments thereto; (17) from and after July 1, 1998, motor vehicles exempted from taxation by K.S.A. 79-5107(e), and amendments thereto; (18) commercial and industrial machinery and equipment exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto; (19) telecommunications machinery and equipment and railroad machinery and equipment exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-234, and amendments thereto.

(m) The provisions of this section shall apply to property exempt pursuant to the provisions of section 13 of article 11 of the constitution of the state of Kansas.

(n) The provisions of subsection (k) as amended by this act shall be applicable to all exemption applications filed in accordance with subsection (a) after December 31, 2001.

Sec. 100. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as follows: 79-2001. (a) As soon as the county treasurer receives the tax roll of the county, the treasurer shall enter in a column opposite the description of each tract or parcel of land the amount of unpaid taxes and the date of unredeemed sales, if any, for previous years on such land. The treasurer shall cause a notice to be published in the official county paper once each week for three consecutive weeks, stating in the notice the amount of taxes charged for state, county, township, school, city or other purposes for that year, on each $1,000 of valuation.

(b) Each year after receipt of the tax roll from the county clerk and before December 15, the treasurer shall mail to each taxpayer, as shown by the rolls, a tax statement which indicates the taxing unit, assessed value of real and personal property, the mill levy and tax due. In addition, with respect to land devoted to agricultural use, such statement shall indicate the acreage and description of each parcel of such land. The tax statement shall also indicate separately each parcel of real property which is separately classified for property tax purposes. The county appraiser shall provide the information necessary for the county treasurer to comply with
the provisions of this section. The tax statement also may include the 
intangible tax due the county. All items may be on one statement or may 
be shown on separate statements and may be on a form prescribed by the 
county treasurer. The statement shall be mailed to the last known address 
of the taxpayer or to a designee authorized by the taxpayer to accept the 
tax statement, if the designee has an interest in receiving the statement. 
When any statement is returned to the county treasurer for failure to find 
the addressee, the treasurer shall make a diligent effort to find a 
forwarding address of the taxpayer and mail the statement to the new 
address. All tax statements mailed pursuant to this section shall be mailed 
by first-class mail. The requirement for mailing a tax statement shall 
extend only to the initial statement required to be mailed in each year and 
to any follow-up required by this section. 

(c) For tax year 1998, and all tax years thereafter, after receipt of the 
tax roll from the county clerk and before December 15, the treasurer shall 
mail to each taxpayer, as shown by the tax rolls, a tax information form 
which indicates the taxing unit, assessed value of real property for the 
current and next preceding taxable year, the mill levy for the current and 
next preceding taxable year and, in the case of unified school districts, the 
mill levy required by K.S.A. 2016 Supp. 72-6470 section 14, and 
amendments thereto, shall be separately indicated, the tax due and an 
itemization of each taxing unit's mill levy for the current and next 
preceding taxable year and the percentage change in the amount of 
revenue produced therefrom, if any. In addition, with respect to land 
devoted to agricultural use, such form shall indicate the acreage and 
description of each parcel of such land. The tax information form shall 
also indicate separately each parcel of real property which is separately 
classified for property tax purposes. The county appraiser shall provide the 
information necessary for the county treasurer to comply with the 
provisions of this section. The tax information form may be separate from 
the tax statement or a part of the tax statement. The tax information form 
shall be in a format prescribed by the director of property valuation. The 
tax information form shall be mailed to the last known address of the 
taxpayer. When a tax information form is returned to the county treasurer 
for failure to find the addressee, the treasurer shall make a diligent effort to 
find a forwarding address of the taxpayer and mail the tax information 
form to the new address. All tax information forms mailed pursuant to this 
section shall be mailed by first class mail.

Sec. 101. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as 
follows: 79-2925b. (a) Without a majority vote so providing, the governing 
body of any municipality shall not approve any appropriation or budget, as 
the case requires, which may be funded by revenue produced from 
property taxes, and which provides for funding with such revenue in an
amount exceeding that of the next preceding year, adjusted to reflect changes in the consumer price index for all urban consumers as published by the United States department of labor for the preceding calendar year. If the total tangible property valuation in any municipality increases from the next preceding year due to increases in the assessed valuation of existing tangible property and such increase exceeds changes in the consumer price index, the governing body shall lower the amount of ad valorem tax to be levied to the amount of ad valorem tax levied in the next preceding year, adjusted to reflect changes in the consumer price index. This subsection shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-6b04 and K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto, and any other ad valorem tax levy which was previously approved by the voters of such municipality. Notwithstanding the requirements of this subsection, nothing herein shall prohibit a municipality from increasing the amount of ad valorem tax to be levied if the municipality approves the proposed increase with a majority vote of the governing body by the adoption of a resolution and publishes its vote to approve the appropriation or budget including the increase as provided in subsection (c).

(b) Revenue that, in the current year, is produced and attributable to the taxation of:

(1) New improvements to real property;
(2) increased personal property valuation;
(3) property located within added jurisdictional territory; or
(4) property which has changed in use shall not be considered when determining whether revenue produced from property has increased from the next preceding year.

(c) In the event the governing body votes to approve any appropriation or budget, as the case requires, which may be funded by revenue produced from property taxes, and which provides for funding with such revenue in an amount exceeding that of the next preceding year as provided in subsection (a), notice of such vote shall be published in the official county newspaper of the county where such municipality is located.

(d) The provisions of this section shall be applicable to all fiscal and budget years commencing on and after the effective date of this act.

(e) The provisions of this section shall not apply to revenue received from property tax levied for the sole purpose of repayment of the principal of and interest upon bonded indebtedness, temporary notes and no-fund warrants.

(f) For purposes of this section:

(1) "Municipality" means any political subdivision of the state which levies an ad valorem tax on property and includes, but is not limited to, any township, municipal university, school district, community college,
drainage district or other taxing district;

    (2) "municipality" shall not include:

    (A) Any such political subdivision or taxing district which receives

    $1,000 or less in revenue from property taxes in the current year; or

    (B) any city or county.

Sec. 102. If any fund or account name described by words and the
numerical accounting code that follows such fund or account name do not
match, it shall be conclusively presumed that the legislature intended that
the fund or account name described by words is the correct fund or
account name, and such fund or account name described by words shall
control over a contradictory or incorrect numerical accounting code.

Sec. 103. K.S.A. 12-17,115 and 72-8803 and K.S.A. 2016 Supp. 10-
1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-
1398, 72-1414, 72-1923, 72-3607, 72-3712, 72-3715, 72-5333b, 72-6482,
72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-6625, 72-6757, 72-
67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-8233, 72-8236, 72-8237,
72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-8316, 72-8415b, 72-
8801, 72-8804, 72-8908, 72-9509, 72-9609, 72-99a02, 74-4939a, 74-8925,
74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b are hereby
repealed.

Sec. 104. This act shall take effect and be in force from and after its
publication in the statute book.