HOUSE BILL No. 2324

By Committee on Appropriations

2-8

AN ACT concerning education; relating to the financing and instruction thereof; making and concerning appropriations for the fiscal years ending June 30, 2018, and June 30, 2019, for the department of education; creating the school district finance and quality performance act of 2017; amending K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-1923, 72-3607, 72-3711, 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, 72-8804, 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 repealing K.S.A. 2016 Supp. 72-6482.

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)..........................$1,941,230,062
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.

Provided, That any unencumbered balance in 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 (652-00-3233-3040).........................................................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

fund (652-00-7307-5000)..............................................................................No limit

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

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

Governor's teaching excellence scholarships program repayment

fund (652-00-7221-7200)..................................................................................No limit

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

21\(^{st}\) 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,
HB 2324

2018, is hereby reappropriated for fiscal year 2019.

Special education services aid (652-00-1000-0700) .................. $442,680,455

_Provided_, That any unencumbered balance in the special education
services aid account in excess of $100 as of June 30, 2018, is hereby
reappropriated for fiscal year 2019: _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) .................. $1,872,267,062

_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
ccontributions 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

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
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

- fund (652-00-7307-5000) .............................................................. No limit
- Reimbursement for services fund (652-00-3056-3200) ....................... No limit
- Communities in schools program fund (652-00-2221-2400) .............. No limit

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

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

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, 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
HB 2324

1 information and data shall be available by the department of education by
2 the end of the fiscal year 2019.
3 New Sec. 3. Sections 3 through 48, and amendments thereto, shall be
4 known and may be cited as the school district finance and quality
6 New Sec. 4. As used in the school district finance and quality
7 performance act of 2017:
8 (a) "Adjusted enrollment" means the enrollment of a school district
9 adjusted by adding the following weightings, if any, to the enrollment: At-
10 risk pupil weighting; program weighting; low enrollment weighting; high
11 density at-risk pupil weighting; high enrollment weighting; declining
12 enrollment weighting; school facilities weighting; ancillary school
13 facilities weighting; cost-of-living weighting; special education and related
14 services weighting; and transportation weighting.
15 (b) "Ancillary school facilities weighting" means an addend
16 component assigned to enrollment of school districts to which the
17 provisions of section 33, and amendments thereto, apply on the basis of
18 costs attributable to commencing operation of new school facilities.
19 Ancillary school facilities weighting may be assigned to enrollment of a
20 school district only if the school district has levied a tax under authority of
21 section 33, and amendments thereto, and remitted the proceeds from such
22 tax to the state treasurer. Ancillary school facilities weighting is in addition
23 to assignment of school facilities weighting to enrollment of any school
24 district eligible for such weighting.
25 (c) (1) "At-risk pupils" means pupils who are eligible for free meals
26 under the national school lunch act and who are enrolled in a school
27 district that maintains an approved at-risk pupil assistance plan.
28 (2) The term "at-risk pupils" shall not include any pupil: (A) Enrolled
29 in any of the grades one through 12 who is in attendance less than full
30 time; or (B) who is over 19 years of age. The provisions of this paragraph
31 shall not apply to any pupil who has an individualized education program.
32 (d) "At-risk pupil weighting" means an addend component assigned
33 to the enrollment of school districts on the basis of enrollment of at-risk
34 pupils.
35 (e) "Base state aid per pupil" means an amount appropriated by the
36 legislature in a fiscal year for the designated year. The amount of base state
37 aid per pupil shall be:
38 (1) For school year 2017-2018, $4,082;
39 (2) for school year 2018-2019, $4,312;
40 (3) for school year 2019-2020, $4,542;
41 (4) for school year 2020-2021, $4,772; and
42 (5) for school year 2021-2022, $5,000.
43 (f) "Average adjusted enrollment" means the average enrollment of a
school district for the three school years immediately preceding the current
school year.

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

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

(i) "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.

(j) "Cost-of-living weighting" means an addend component assigned
to the enrollment of school districts to which the provisions of section 34,
and amendments thereto, apply on the basis of costs attributable to the cost
of living in the school district.

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

(l) "Declining enrollment weighting" means an addend component
assigned to the enrollment of school districts to which the provisions of
section 35, and amendments thereto, apply on the basis of reduced
revenues attributable to the declining enrollment of the school district.

(m) "Enrollment" means:

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

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

(A) The sum of:

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

(ii) adjusted enrollment in the preceding school year of any pupils
participating in the tax credit for low income students scholarship program
pursuant to K.S.A. 2016 Supp. 72-99a01 through 72-99a07, and
amendments thereto, in the current school year, if any, plus adjusted enrollment in the preceding school year of preschool-aged at-risk pupils participating in the tax credit for low income students scholarship program pursuant to K.S.A. 2016 Supp. 72-99a01 through 72-99a07, and amendments thereto, in the current school years, if any such pupils were enrolled; or

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

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

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

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

(3) the number of pupils as determined under section 10 or 11, and amendments thereto.

(n) "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 shall mean the first day after February 20 on which school is maintained.

(o) "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 as an amount equal to the federally qualified percentage of the amount of moneys provided for the school district under title I of public law 874 shall be determined by the state board in accordance with terms and conditions imposed under the provisions of the public law and rules and regulations thereunder.

(p) "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 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.

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

(r) "High-density at-risk pupil weighting" means an addend component assigned to the enrollment of school districts to which the provisions of section 30, and amendments thereto, apply.

(s) "High enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to section 23, and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts as a correlate to low enrollment weighting assigned to enrollment of school districts pursuant to section 22, and amendments thereto.

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

(u) "Low 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 in comparison with costs attributable to maintenance of educational programs by school districts to which high enrollment weighting is assigned pursuant to section 23, and amendments thereto.

(v) "Nonproficient pupil" means a pupil who is not eligible for free meals under the national school lunch act and who has scored less than proficient on the mathematics or reading state assessment during the preceding school year and who is enrolled in a school district which maintains an approved proficiency assistance plan.

(w) "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 43, and amendments thereto.

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

(y) "Preschool-aged at-risk pupil" means an at-risk pupil 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 pupils for participation in head start programs.

(z) "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.

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

(bb) "Program weighting" means an addend component assigned to the enrollment of school districts on the basis of pupil attendance in
(cc) "Psychiatric residential treatment facility" has the meaning ascribed thereto by K.S.A. 72-8187, and amendments thereto.

(dd) (1) "Pupil" 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 pupil:

(i) A pupil in attendance full time; and

(ii) except as provided in paragraph (2)(B), a pupil 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 pupil:

(i) A pupil attending kindergarten;

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

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

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

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

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

(D) A pupil in attendance part time shall be counted as that proportion of one pupil (to the nearest 1/10) that the pupil's attendance bears to full-time attendance.

(E) A pupil 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 pupil if the pupil's postsecondary
education enrollment and attendance together with the pupil's attendance
in either grade 11 or 12 is at least 5/6 time, otherwise the pupil shall be
counted as that proportion of one pupil (to the nearest 1/10) that the total
time of the pupil's postsecondary education attendance and attendance in
grade 11 or 12, as applicable, bears to full-time attendance.

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

(G) A pupil 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 pupil (to the nearest 1/10) that the pupil's attendance at the
non-virtual school bears to full-time attendance.

(H) A pupil 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 pupil
(to the nearest 1/10) that the pupil's attendance at the non-virtual school
bears to full-time attendance.

(3) The following shall not be counted:

(A) A pupil residing at the Flint Hills job corps center;
(B) except as provided in subsection (cc)(2), a pupil confined in and
receiving educational services provided for by a school district at a
juvenile detention facility;
(C) a pupil enrolled in a school district but housed, maintained and
receiving educational services at a state institution or a psychiatric
residential treatment facility; and
(D) a pupil who is a foreign exchange student, 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.

(ee) "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.

(ff) "School facilities weighting" means an addend component
assigned to the enrollment of school districts on the basis of costs
attributable to commencing operation of new school facilities.
(gg) "School financing sources" means the sum of the following amounts:

1. 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 43, and amendments thereto;
2. An amount equal to any unexpended and unencumbered balances remaining in the program weighted funds of the school district, except any amount in the vocational education fund of the school district if the school district is operating an area vocational school;
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 a grant, if any, 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.

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

(ii) "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 shall mean the first day after September 20 on which school is maintained.

(jj) "Special education and related services weighting" means an addend component assigned to the enrollment of school districts on the basis of costs attributable to provision of special education and related services for pupils determined to be exceptional children.
(kk) "State board" means the state board of education.
(ll) "State financial aid" means an amount equal to the product obtained by multiplying base state aid per pupil by the average adjusted enrollment of a school district.
(mm) "Transportation weighting" means an addend component assigned to the enrollment of school districts on the basis of costs attributable to the provision or furnishing of transportation.
(nn) "Virtual school" means any school or educational program that:
   (1) is offered for credit;
   (2) uses distance-learning technologies that predominately use internet-based methods to deliver instruction;
   (3) involves instruction that occurs asynchronously with the teacher and pupil in separate locations;
   (4) requires the pupil to make academic progress toward the next grade level and matriculation from kindergarten through high school graduation;
   (5) requires the pupil to demonstrate competence in subject matter for each class or subject in which the pupil is enrolled as part of the virtual school; and
   (6) requires age-appropriate pupils to complete state assessment tests.

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 repeal; and (2) all amounts transferred to such fund under sections 8, 14, 33, 34 and 35, 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 entitlements provided for under this act.

New Sec. 6. In each school year, the state board shall determine the entitlement of each school district to general state aid for the 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 be entitled to general state aid. 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 is entitled to receive for the current
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, subject to the provisions of subsection (d), payment shall be made in the full amount of the general state aid entitlement determined for the school year, less the sum of the monthly payments made in the months of July through May.

(c) The state board of education shall prescribe the dates upon which the distribution of payments of general state aid to school districts shall be due. 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 entitled to payment of general state aid, 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, 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 41(a), and amendments thereto.

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

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 so to remit, the state board shall deduct the excess amounts so paid
from future payments becoming due to the school district. In the event any
school district is paid less than the amount to which it is entitled 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, vocational education enrollment, special education
enrollment, bilingual education enrollment, and at-risk pupil 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 such corrections
in the report as are necessary. One of such school district officers shall also
certify to the state board, on or before August 25 of each year, a copy of
the budget adopted by the school district.

New Sec. 10. (a) If the state board of education 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 had
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 at-risk pupils, if any, plus the
average of the enrollment for the current and the preceding three school
years, excluding the enrollment of preschool-aged at-risk pupils in each
such school year; or

(2) the enrollment of the school district as defined in section 6, 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
New Sec. 11. (a) Each school year, the state board shall:
(1) Determine the number of pupils enrolled in each school district on September 20; and
(2) determine the number of military pupils enrolled in each school district on February 20, who were not enrolled on the preceding September 20.
(b) (1) If the number obtained under subsection (a)(2) is 25 or more, an amount equal to the number obtained under subsection (a)(2) shall be added to the number determined under subsection (a)(1). The sum is the enrollment of the school district.
(2) If the number obtained under subsection (a)(2) is at least 1% of the number determined under subsection (a)(1), an amount equal to the number obtained under subsection (a)(2) 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:
(1) "Pupil" 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 emergencies or homeland defense activities.
(2) "School year" means school year 2017-2018 and each school year thereafter.

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 school district finance and quality performance act of 2017, 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 is completed.

(2) The provisions of this paragraph shall apply to any consolidation of school districts that is completed on or after July 1, 2011. If any of the former school districts had an enrollment of less than 150 pupils on September 20 of the school year preceding the consolidation, the state financial aid of the newly consolidated school district for the school year 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 school district finance and quality performance act of 2017.

(3) If all of the former school districts had an enrollment of at least 150 pupils, but any had less than 200 pupils 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 school district finance and quality performance act of 2017.

(4) If all of the former school districts had an enrollment of 200 or more pupils 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 school district finance and quality performance act of 2017.

(5) If the consolidation involved the consolidation of three or more school districts, regardless of the number of pupils 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 school district finance and quality performance act of 2017.

(b) (1) The provisions of this subsection (b) 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 school district finance and quality
performance act of 2017, 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) The provisions of this paragraph shall apply to any attachment of
territory which is completed on or after July 1, 2011. If any of the former
school districts had an enrollment of less than 150 pupils on September 20
of the school year preceding the attachment, the state financial aid of the
enlarged school district for the school year 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

(4) If all of the former school districts had an enrollment of at least
150 pupils, but any had less than 200 pupils 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

(5) If all of the former school districts had an enrollment of 200 or
more pupils 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 school district finance and quality performance

(6) If three or more school districts, regardless of the number of
pupils 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 school district finance and quality

(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 of education as follows: (A)
Determine the amount of state financial aid received by the former school
district in the school year preceding the date that 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 that the disorganization and attachment was completed; (C) determine
the assessed valuation of the former school district in the school year
preceding the date that 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
that the disorganization and attachment was completed to each of the
enlarged school districts in the same proportion that 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 (E) and (B). 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

(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 remitted to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the state school district finance fund.

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

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 provisions 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) (A) The amount that the board was authorized to adopt pursuant to any resolution adopted pursuant to K.S.A. 2016 Supp. 72-6471, prior to its expiration, currently in effect; plus

(B) the amount that the board was authorized to adopt pursuant to section 20, and amendments thereto, if applicable to the school district; or

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

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

(2) For school year 2017-2018, any board of education of a school district which has adopted a local option budget in excess of 30% of state financial aid in the current school year on or before June 30, 2016, may adopt a second resolution in an amount not to exceed 2% of state financial
aid, provided that the aggregate local option budget authority for the
school district does not exceed 33% of state financial aid in the current
school year. The adoption of a second resolution pursuant to this paragraph
shall require a majority vote of the members of the board and shall
specifically state in such resolution that it shall expire on June 30, 2018.
Such resolution shall be effective upon adoption and shall require no other
procedure, authorization or approval.

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

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

(f) 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.

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

(h) 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.

(i) (1) There is hereby established in every school district that adopts
a local option budget a supplemental general fund, which shall consist of
all amounts deposited therein or credited thereto according to law.
(2) Subject to the limitation imposed under subsection (i)(3) and
section 17(e), and amendments thereto, amounts in the supplemental
general fund may be expended for any purpose for which expenditures
from the general fund are authorized or may be transferred to any program
weighted fund or categorical fund of the 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 (i)(4)(B), any unexpended
budget 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 budget 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. 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.

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

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

(l) 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 (e), (d) or (e).

(2) "State financial aid" shall have the meaning provided in section 4,
and amendments thereto, except that the term shall not include virtual
school state aid, as described in K.S.A. 72-3715, 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 base state aid per pupil is $4,433
or less.
(2) Except as provided in subsection (a)(3), the board of any school district may adopt a local option budget that does not exceed the local option budget calculated as if the base state aid per pupil was $4,433, or that does not exceed the local option budget as calculated pursuant to section 15, and amendments thereto, whichever is greater.

(3) For school years 2017-2018 and 2018-2019, the board of any school district may adopt a local option budget that does not exceed the local option budget calculated as if the base state aid per pupil 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 education 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 education of any school district may exercise the authority granted under subsection (a) or (b) or both subsections (a) and (b).

(d) To the extent that the provisions of 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 for entitlement to an amount of supplemental general state aid. Except as provided by section 18, and amendments thereto, entitlement of a school district to supplemental general state aid shall be determined by the state board as provided in this subsection. The state board shall:

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

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

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

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

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

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

(b) If the amount of appropriations for supplemental general state aid
is less than the amount each school district is entitled 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
entitled to receive.

(c) The state board shall prescribe the dates upon which the
distribution of payments of supplemental general state aid to school
districts shall be due. Payments of supplemental general state aid shall be
distributed to 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.

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

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

(2) Amounts of supplemental general state aid attributable to any
percentage over 25% of state financial aid determined for the current
school year may be transferred to the capital improvements fund of the
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%.

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

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

(d) 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 that comprised a disorganized school district is attached to a single school district.

New Sec. 19. (a) In each school year, the board of every 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) In each school year, commencing with the 1997-1998 school year, the state board shall compute a school district prescribed percentage for the purpose of determining the amount of a local option budget the board of a school district to which the provisions of this section apply may adopt for the school year. The school district prescribed percentage for each school district to which the provisions of this section apply shall be computed by the state board as provided in this section. The state board shall:

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

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

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

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

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

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

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

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

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

(10) for school districts with an enrollment of 1,800 or more,
compare the amount determined for the school district under subsection (a)
(1) to the average amount computed under subsection (a)(4). If the amount
determined under subsection (a)(1) is equal to or greater than the average
amount computed under subsection (a)(4), the provisions of this section do
not apply to the school district. If the amount determined under subsection
(a)(1) is less than the average amount computed under subsection (a)(4),
subtract the amount determined under subsection (a)(1) from the amount
computed under subsection (a)(4), multiply the remainder by the
enrollment of the school district in the preceding school year, and divide
the product by the amount of state financial aid determined for the school
district in the preceding school year. The quotient is the school district
prescribed percentage of the school district.
(b) The provisions of this section apply to any school district that budgeted an amount per pupil in the preceding school year, as determined under subsection (a)(1), that was less than the average amount per pupil of general fund budgets and local option budgets computed by the state board under whichever of the subsections (a)(7) through (a)(10) is applicable to the school district's enrollment group.

New Sec. 21. (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 pupils of public and nonpublic schools on regular school routes;
2. divide the amount determined under subsection (a)(1) by the total number of pupils 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 pupils who were included in the enrollment of the school district in the preceding school year, were residing less than $2\frac{1}{2}$ miles 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 pupils who were included in the enrollment of the school district in the preceding school year, were residing $2\frac{1}{2}$ miles 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-pupil cost of transportation;
7. on a density-cost graph, plot the per-pupil 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-pupil cost of transportation of the school district;
10. divide the formula per-pupil cost of transportation of the school district by base state aid per pupil; and
11. multiply the quotient obtained under subsection (a)(10) by the number of pupils who are included in the enrollment of the school district, are residing $2\frac{1}{2}$ miles or more by the usually traveled road to the school building they attend, and for whom transportation is being made available
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 pupil transportation, the state board is authorized to adopt rules and regulations prescribing procedures that school districts shall follow in reporting pertinent information relative thereto, including uniform reporting of expenditures for transportation.

c) As used in this section:

(1) "Index of density" means the number of pupils who are included in the enrollment of a school district in the current school year, are residing 2 1/2 miles 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.

(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-pupil 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-pupil cost intervals.

(3) "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.

New Sec. 22. (a) The low enrollment weighting shall be determined by the state board as provided by this section.

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

(c) 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.

(d) For school districts with an enrollment of less than 1,637 in school year 2006-2007 and less than 1,622 in school year 2007-2008 and each school year thereafter and more than 99, the low enrollment weighting shall be determined by the state board 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 (d)(1) by 3,863;

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

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

(5) subtract 1 from the product obtained under subsection (d)(4). The difference shall be the low enrollment weighting of the school district.
New Sec. 23. The high enrollment weighting of each school district with an enrollment of 1,637 or more in school year 2006-2007, and 1,622 or more in school year 2007-2008 and each school year thereafter shall be determined by the state board as follows:

(a) Determine the schedule amount for a school district with an enrollment of 1,637 in school year 2006-2007, and 1,622 in school year 2007-2008 and each school year thereafter as derived from the linear transition under section 22(d), and amendments thereto, and subtract the amount determined under section 22(c), and amendments thereto, from the schedule amount so determined;

(b) divide the remainder obtained under subsection (a) by the amount determined under section 22(c), and amendments thereto, and multiply the quotient 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. 24. (a) The program weighting of each school district shall be determined by the state board as follows:

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

(2) compute full time equivalent enrollment in approved vocational education programs and multiply the computed 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. 25. (a) The school facilities weighting of each school district shall be determined in each school year in which such weighting may be assigned to enrollment of the school district as follows:

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

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

(b) School facilities weighting may be assigned to 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, 2018; or

(B) the school district commences operation of a new school facility in school year 2018-2019 or 2019-2020 and the construction of such
facility was financed primarily with federal funds and such facility is
located on a military reservation. School facilities weighting may be
assigned to 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. 26. The special education and related services weighting of
each school district shall be determined in each school year 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 a grant, if any, 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 base state aid
per pupil. The quotient is the special education and related services
weighting of the school district.

New Sec. 27. (a) The at-risk pupil weighting of each school district
shall be determined by the state board by multiplying the number of at-risk
pupils included in enrollment of the school district by 0.456 for school
year 2017-2018 and each school year thereafter. The product is the at-risk
pupil weighting of the school district.
(b) Except as provided in subsection (d), of the amount a school
district receives from the at-risk pupil weighting, an amount produced by a
pupil weighting of 0.01 shall be used by the school district for achieving
mastery of basic reading skills by completion of the third grade in
accordance with standards and outcomes of mastery identified by the state
board under K.S.A. 72-7534, and amendments thereto.
(c) A school district shall include such information in its at-risk pupil
assistance plan as the state board may require regarding the school
district's remediation strategies and the results thereof in achieving the
third grade reading standards and outcomes of mastery identified by the
state board. The reporting requirements shall include information
documenting remediation strategies and improvement made by pupils who
performed below the expected standard on the second grade diagnostic
reading test prescribed by the state board.
(d) A school district whose pupils substantially achieve the state
board standards and outcomes of mastery of reading skills upon
completion of third grade may be released, upon request, by the state
board from the requirements of subsection (b).
(e) (1) A school district may expend amounts received from the at-
risk pupil weighting to pay for the cost of providing full-day kindergarten
to any pupil enrolled in the school district and attending full-day
kindergarten, whether or not such pupil is an at-risk pupil.
(2) Nothing in this subsection shall be construed as requiring school
districts to provide full-day kindergarten or as requiring any pupil to attend
full-day kindergarten.

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

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

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

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

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 assistance or programs, including assistance or programs provided to nonproficient pupils, 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. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

(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 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 at-risk program or assistance provided by the school district. Such report shall include information specifying the number of at-risk pupils and nonproficient pupils 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 at-risk pupils and nonproficient pupils provided service or assistance by school districts in at-risk programs, school districts shall report the number of at-risk pupils and nonproficient pupils served or assisted in the manner required by the state board.

New Sec. 29. (a) There is hereby established in every school district a
HB 2324

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 at-risk weighting to pay the cost of providing at-risk,
bilingual and vocational 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. Interest earned on the investment of moneys in any such
fund shall be credited to that fund.

(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 of education.

(d) Each year the board of education of each school district shall
prepare and submit to the state board a report on the preschool-aged at-risk
program or assistance provided by the school 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 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. (a) The high density at-risk pupil weighting of each
school district shall be determined by the state board in accordance with
this section.

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

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

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

and

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

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

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

New Sec. 31. (a) If a pupil submits an application for free meals under the national school lunch act on or before the date on which the enrollment of the school district is calculated and it is later determined by the school district or the department of education that the pupil should not have been eligible for free meals, the school district or the department shall notify the state board of such determination. Except as provided in subsection (b), upon receipt of such notice, the state board shall recompute the adjusted enrollment of the school district and the general fund budget of the school district based on the adjusted enrollment of the school district excluding the at-risk pupil weighting and high density at-risk pupil weighting, if any, assigned to such pupil.

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

New Sec. 32. For the purpose of determining the general fund budget of a school district, weightings shall not be assigned to a pupil enrolled in and attending KAMS. Moneys in the general fund which are attributable to a pupil enrolled in and attending KAMS shall not be included in the computation of the local option budget of the school district.

New Sec. 33. (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 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 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 of education the amount authorized to be produced by the levy of a tax under subsection (a).

(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 or any or all of the foregoing;

(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 25, and amendments thereto; and

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

(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 of education 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 which will produce an amount that is
not greater than the amount computed by the state board of education as provided in this subsection. In computing such amount, the state board shall:

(1) Determine the amount produced by the tax levied by the 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 in the first year of the six-year period for which 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 that have been 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 the 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 of each school district shall be determined in each school year in which such weighting may be assigned to enrollment of the school district as follows:

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

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

New Sec. 34. (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. 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.

(b) The state board of education 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) (A) subtract the amount determined under subsection (b)(2) from the amount determined under subsection (b)(3). If the amount determined for the school district under this paragraph is a positive number and the school district is authorized to adopt and has adopted a local option budget in an amount equal to at least 31% of the state financial aid for the school district, the 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 enrollment of the school district; or

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

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

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

(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 (d), 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
deed 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) 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 that have been 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.

(e) 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 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 dividend determined under subsection (e)(1) by
0.095;
(3) multiply the school district's state financial aid, excluding the
amount determined under this provision, by the lesser of the product
determined under subsection (e)(2) or 0.05; and
(4) divide the product determined under subsection (e)(3) by the base
state aid per pupil for the current school year. The quotient is the cost-of-
living weighting of the school district.

New Sec. 35. (a) (1) (A) A 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 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 declining enrollment weighting to enrollment
of the school district. The state board of tax appeals may authorize the
school district to make a levy which will produce an amount that is not
greater than the amount of revenues lost as a result of the declining
enrollment of the 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 section.

(B) As an alternative to the authority provided in subsection (a)(1)
(A), if a school district was authorized to make a levy pursuant to this
section in school year 2006-2007, such school district shall remain
authorized to make a levy at a rate necessary to generate revenue in the
same amount that was generated in school year 2007-2008 if the school
district adopts a local option budget in an amount equal to the state
(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.
(b) A school district may levy the tax authorized pursuant to this
section for a period of time not to exceed two years unless authority to
make such levy is renewed by the state board of tax appeals. The state
board of tax appeals may renew the authority to make such levy for
periods of time not to exceed two years.
(c) 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.
(d) 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
decreasing 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.
(e) 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 that have been 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.
(f) In each school year, each school district that imposes a declining
enrollment levy pursuant to subsection (a) is eligible for entitlement to an
amount of declining enrollment state aid. Entitlement of a school district to
such state aid shall be determined by the state board as provided in this
subsection. The state board shall:
(1) Determine the amount of the assessed valuation per pupil in the
second preceding school year of each school district in the state;
(2) rank the school districts from low to high on the basis of the
amounts of assessed valuation per pupil determined under subsection (f)
(1);
(3) identify the amount of the assessed valuation per pupil located at the 75th percentile of the amounts ranked under subsection (f)(2);
(4) divide the assessed valuation per pupil of the school district in the preceding school year by the amount identified under subsection (f)(3);
(5) subtract the ratio obtained under subsection (f)(4) from 1.0. If the resulting ratio equals or exceeds 1.0, the eligibility of the school district for entitlement to declining enrollment state aid shall lapse. If the resulting ratio is less than 1.0, the school district is entitled to receive declining enrollment state aid in an amount which shall be determined by the state board by multiplying the amount the school district is obligated to pay under subsection (c) by such ratio. The product is the amount of declining enrollment state aid the school district is entitled to receive for the school year.

(g) If the amount of appropriations for declining enrollment state aid is less than the amount each school district is entitled 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 entitled to receive.

(h) The state board shall prescribe the dates upon which the distribution of payments of declining enrollment state aid to school districts shall be due. Payments of such 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 declining enrollment fund of the school district to be used for the purposes of such fund.

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

(j) 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. 36. (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 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
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 the 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 cooperative 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 of education in an amount not to exceed 1/3 of the unencumbered
balance of the school district's special education fund.

New Sec. 37. (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 Kansas
Statutes Annotated, and amendments thereto, except for courses and
programs conducted in an area vocational school, shall be credited to the
vocational education fund. All moneys received by the school district from
tuition, fees or charges or from any other source for vocational education
courses or programs, except for courses and programs conducted in an
area vocational school, shall be credited to the vocational education fund.
The expenses of a school district directly attributable to vocational
education shall be paid from the vocational education fund.

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

(c) (1) Any balance remaining in the vocational education fund at the end of the budget year shall be carried forward into the vocational 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 vocational 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.

(2) Any unencumbered balance of moneys attributable to appropriations by the legislature in the vocational 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.

New Sec. 38. (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 of education.

New Sec. 39. 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. 40. (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 of education.

New Sec. 41. (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
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 entitlement of 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 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. 42. (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.

(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 the limitations imposed upon the amount authorized to be maintained in the contingency reserve fund under section 42, and amendments thereto.

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

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

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

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

(g) 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. 43. 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 which 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 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 for
which the school district is reimbursed by a grant of state moneys as
provided in K.S.A. 72-8187, and amendments thereto. As used in this
subsection, juvenile detention facility and psychiatric residential treatment
facility have the meanings ascribed thereto by K.S.A. 72-8187, and
amendments thereto.

(f) Programs financed in part or in whole by federal funds which may
be expended although not included in the budget of the school district,
excepting funds received under the provisions of title I of public law 874,
but not including in such exception 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. 44. In case a school district expends in any school year 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 school
year.

New Sec. 45. (a) For school year 2017-2018, and each school year
thereafter, 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 28, and amendments thereto,
bilingual education fund, as provided in K.S.A. 72-9509, and amendments
thereto, contingency reserve fund, as provided in section 40, and
amendments thereto, driver training fund, as provided in section 38, 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 29, 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 36, and
amendments thereto, virtual school fund, as provided in K.S.A. 72-3715,
and amendments thereto, and vocational education fund, as provided in
section 37, and amendments thereto, to pay for general operating expenses
of the school district out of the general fund as approved by the board of
education of such school district.

The board of education 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, virtual school fund and vocational education fund;
(2) textbook and student materials revolving fund; and
(3) special education fund.

The board of education of a school district shall not be limited to the order of priority as listed in this subsection if the board so chooses. The board of education of a school district 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.

(b) The amount of money expended by a school district in school year 2017-2018, and each school year thereafter, from the unencumbered balance of moneys in the funds under subsection (a) shall not exceed, in the aggregate, an amount determined by the state board of education. Such amount shall be determined by the state board as follows:

(1) Determine the adjusted enrollment of the school district, excluding special education and related services weighting, for the current school year;
(2) multiply the adjusted enrollment determined under subsection (b) (1) by $250. The product is the aggregate amount of moneys that may be expended by a school district in the current school year from the unencumbered balance of moneys in the funds under subsection (a).

(c) It is the public policy goal of the state of Kansas that at least 65% of the aggregate of all unencumbered balances authorized to be expended for general operating expenses pursuant to subsection (a) shall be expended in the classroom or for instruction, as provided in K.S.A. 2016 Supp. 72-64c01, and amendments thereto.

(d) The superintendent appointed by the board of education of each school district under K.S.A. 72-8202b, and amendments thereto, 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 of education on or before July 15 of such year.

New Sec. 46. (a) In order to accomplish the mission for Kansas education, the state board of education 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 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) 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 pupils 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.

e) Whenever the state board of education determines that a school
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 in which the school is located. Such notice shall specify the
accreditation requirements that the school has failed to meet and the
curriculum that the school 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. When making such reallocation, the board of
education shall take into consideration the resource strategies of highly
resource-efficient school districts as identified in phase III of the Kansas
education resource management study conducted by Standard and Poor's
(March 2006).

New Sec. 47. 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. 48. Except as provided by this section, the provisions of
this act shall not be severable. If any provision of this act, other than the
provisions relating to declining enrollment and the increase in
supplemental general state aid attributable to the increase in the state
prescribed percentage under section 15, and amendments thereto, is held to
be invalid or unconstitutional by court order, the entire act shall be null
and void.

New Sec. 49. (a) As used in this section:
(1) "Pupil" means a pupil who is a resident of and enrolled, on a full-
time basis, in a school district.
(2) "School district" means a school district that does not offer
advanced placement courses and that is either more than 200 square miles
in area or has an enrollment of at least 260 pupils and does not offer
advanced placement courses.
(b) If a pupil is enrolled in at least one advanced placement course
provided by a virtual school, the school district offering the virtual school
shall be paid an amount equal to 8% of the amount of base state aid per
pupil for such pupil as additional virtual school state aid. Such state aid
shall be paid in each semester in which a pupil is enrolled in at least one
advanced placement course provided by a virtual school.

New Sec. 50. (a) There is hereby established in the state treasury the
school district capital outlay state aid fund, which shall consist of all
amounts transferred thereto under the provisions of subsection (c).
(b) In each school year, each school district that levies a tax pursuant
to K.S.A. 72-8801 et seq., and amendments thereto, shall be entitled to
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
subsection. The state board of education shall:
(1) Determine the amount of the assessed valuation per pupil (AVPP)
of each school district in the state for the second preceding school year
from the current school year and round such amount to the nearest $1,000.
The rounded amount is the AVPP of a school district for the purposes of
this section;
(2) determine the median AVPP of all school districts;
(3) prepare a schedule of dollar amounts using the amount of the
median AVPP of all school districts as the point of beginning. The
schedule of dollar amounts shall range upward in equal $1,000 intervals
from the point of beginning to and including an amount that is equal to the
amount of the AVPP of the school district with the highest AVPP of all
school districts and shall range downward in equal $1,000 intervals from
the point of beginning to and including an amount that is equal to the
amount of the AVPP of the school district with the lowest AVPP of all
school districts;
(4) determine a state aid percentage factor for each school district by
assigning a state aid computation percentage to the amount of the median
AVPP shown on the schedule, decreasing the state aid computation
percentage assigned to the amount of the median AVPP by one percentage point for each $1,000 interval above the amount of the median AVPP, and increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each $1,000 interval below the amount of the median AVPP. Except as provided by section 51, 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, 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;

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

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

(d) 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 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 capital outlay fund of the school district to be used for the purposes of such fund.

(e) Amounts transferred to the capital outlay fund of a school district as authorized by section 15, and amendments thereto, shall not be included in the computation when determining the amount of state aid to which a district is entitled to receive under this section.

New Sec. 51. (a) Unless the context otherwise requires, as used in this section, "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 that comprised a disorganized district is attached to a single
district.

(b) (1) For the purposes of determining the amount of the payment from the school district capital outlay state aid fund under section 50, and amendments thereto, the state board shall determine the state aid percentage factor of each of the former school districts of which the district is composed 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 two succeeding school years, the state aid percentage factor of the district shall be the highest state aid percentage factor determined under paragraph (1).

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

Sec. 52. 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. 53. 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 41, 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. 54. 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
(1) 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
(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.
(l) "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 property taxes levied for schools, pursuant to K.S.A. 2016 Supp. 72-6470 section 14, and amendments thereto.

(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, physiomics, 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.

(ll) "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. 55. 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. 56. 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 K.S.A. 75-2319, and amendments thereto, and section 17, 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. 57. 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 weighting, as those weightings were calculated under the school district finance and quality performance act, prior to its repeal, to 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 a school district is entitled to receive for the ensuing school year.

(b) Each school district shall be entitled to receive:
(1) Reimbursement for actual travel allowances paid to special teachers at not to exceed the rate specified under K.S.A. 75-3203, and amendments thereto, for each mile actually traveled during the school year in connection with duties in providing special education or related services for exceptional children; such reimbursement shall be computed by the state board by ascertaining the actual travel allowances paid to special teachers by the school district for the school year and shall be in an amount equal to 80% of such actual travel allowances;
(2) reimbursement in an amount equal to 80% of the actual travel expenses incurred for providing transportation for exceptional children to special education or related services. Such reimbursement shall not be paid if such child has been counted in determining the transportation weighting of the school district under the provisions of the school district finance and quality performance act of 2017;
(3) reimbursement in an amount equal to 80% of the actual expenses incurred for the maintenance of an exceptional child at some place other than the residence of such child for the purpose of providing special education or related services; such reimbursement shall not exceed $600 per exceptional child per school year; and
(4) (A) except for those school districts entitled to receive reimbursement under subsection (c) or (d), after subtracting the amounts of reimbursement under 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 \( \frac{2}{3} \) 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 district shall be the amount which bears the
same relation to the aggregate amount available for reimbursement for the
provision of special education and related services under the interlocal
agreement, as the amount paid by such district in the current school year
for provision of such special education and related services bears to the
aggregate of all amounts paid by all school districts in the current school
year who have entered into such interlocal agreement for provision of such
special education and related services.

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

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

(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. 58. 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 2 1/2 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 subpart 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., and amendments thereto, except computation of transportation weighting under the school district finance and quality performance act of 2017, 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. 59. 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 school district finance and quality performance act of 2017, 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. 60. 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 school district finance and quality performance act of 2017, 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. 61. 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
school
district finance and quality performance act of 2017, 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. 62. 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. 63. K.S.A. 2016 Supp. 72-3711 is hereby amended to read as
follows: 72-3711. K.S.A. 2016 Supp. 72-3711 through 72-3715 and
section 49, and amendments thereto, shall be known and may be cited as
the virtual school act.

Sec. 64. 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
in separate locations; (4) requires the pupil to make academic progress
toward the next grade level and matriculation from kindergarten through
high school graduation; (5) requires the pupil to demonstrate competence
in subject matter for each class or subject in which the pupil is enrolled as
part of the virtual school; and (6) requires age-appropriate pupils 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. 65. 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 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 enrolled in the virtual school on September 20 of each school year as follows:

(1) Determine the number of hours the pupil 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 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 (1) and (2);

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

(c) The school days on which a district determines the full-time equivalent enrollment of a pupil under subsections (b)(1) and (2) shall be the school days on which the pupil 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 on-line activity or entries in the pupil'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;

(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
(D) add the amounts calculated under subsections (d)(1)(A) through (d)(1)(C). 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). Multiply the full-time equivalent enrollment of the virtual school by an amount equal to 105% of the amount of base state aid per pupil;
(2) multiply the full-time equivalent enrollment of nonproficient at-risk pupils enrolled in an approved at-risk program offered by the virtual school, if any, by an amount equal to 25% of the amount of base state aid per pupil;
(3) add any amount determined under section 49, and amendments thereto; and
(4) add the amounts obtained under subparagraphs (1) through (3). The sum is the amount of virtual school state aid to which the school district is entitled.

(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. Moneys received as virtual school state aid shall be deposited in the general fund of the school district and transferred to the virtual school fund of the school district. 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.

Any unencumbered balance of moneys remaining in the virtual school
fund of the 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 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.

Sec. 66. 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 school district finance and quality performance act of
2017, section 3 et seq., and amendments thereto, apply to the school
As applied to the school 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. 67. 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 any 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, and amendments thereto, supplemental general fund for the purposes specified in subsection (a).

Sec. 68. 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, school district finance and quality performance act of 2017, 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. 69. 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 school district finance and quality performance act of 2017, 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. 70. 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:
(1) Entitlement to payment of supplemental general state aid under section
17, and amendments thereto; and (2) entitlement to 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. 71. 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 school district finance and quality performance act of 2017, 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. 72. 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 school district finance and quality performance act of 2017, 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. 73. 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.
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.

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 school district finance and quality performance act of 2017, section 3 et seq., and amendments thereto.

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 school district finance and quality performance act of 2017, 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.

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.

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

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

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
Sec. 74. 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 school district finance and quality performance act of 2017, 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. 75. 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 46, 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. 76. 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 school district finance and quality performance act of 2017, 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. 77. 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
supplemental general state aid and payments from the school district
capital improvements fund.

Sec. 78. 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 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 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, school district finance and quality performance act of 2017, 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
to 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. 79. 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 school district finance and quality performance act of 2017, 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. 80. 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 facility; 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 school district
finance and quality performance act of 2017, 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. 81. 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. 82. 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. 83. 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 textbook and student materials revolving 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 \( \frac{1}{3} \) of the unencumbered balance of the school district's textbook and student materials revolving fund.

Sec. 84. 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. 85. 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 2½ 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\(\frac{1}{2}\) 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\(\frac{1}{2}\) 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 provisions of
the school district finance and quality performance act of 2017, 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. 86. 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 school district finance and quality performance act of 2017.

Sec. 87. 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 school district finance and quality performance act of 2017.

(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 school district finance and quality performance act of 2017, section 3 et seq., and amendments thereto. Such revenues may be expended whether the same have been budgeted or not.

(d) (e) 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. 88. 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 42, 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. 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, section 4, and amendments thereto, 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; and

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. Notwithstanding the
provisions of K.S.A. 74-4939, and amendments thereto, 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 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 department 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.
(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 effective 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) 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, or on or after July 1, 2017, the state board of education shall:

(A) Determine the amount of the assessed valuation per pupil (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) (1);

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

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

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

(5) 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, or on or after July 1, 2017; and

(6) multiply the amount determined under subsection (b)(1)(E) by the applicable state aid percentage factor. The amount of the product is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(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) is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(4) For general obligation bonds approved for issuance at an election held on or after July 1, 2016, the amount determined under subsection (b)
(2)(E) is the amount of payment the school district shall receive from the school district capital improvements fund in the school year, except the total amount of payments school districts receive from the school district capital improvements fund in the school year for such bonds shall not exceed the six-year average amount of capital improvement state aid as determined by the state board of education.

(A) The state board of education shall determine the six-year average amount of capital improvement state aid by calculating the average of the total amount of moneys expended per year from the school district capital improvements fund in the immediately preceding six fiscal years, not to include the current fiscal year.

(B) (i) Subject to clause (ii), the state board of education shall prioritize the allocations to school districts from the school district capital improvements fund in accordance with the priorities set forth as follows in order of highest priority to lowest priority:

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

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

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

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

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

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

(5) 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 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). Amounts transferred to the capital
improvements fund of a school district as authorized by section 15, and
amendments thereto, shall not be included in the computation when
determining the amount of state aid to which a school district is entitled to
receive under this section.

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 appraiser 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
machine 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.
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. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-
1775a, 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3607,
72-3711, 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, 72-8804, 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.