AN ACT concerning school districts; creating the Kansas school financial transparency act.

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

Section 1. (a) This section shall be known and may be cited as the Kansas school financial transparency act.

(b) As used in this section:

(1) "Department" means the Kansas state department of education.

(2) "School" means any attendance center, charter school, virtual school, virtual school program and any other school or educational program that is considered distinct from the other schools in the school district. The term "school" shall not refer to any particular school building or school site, and to this end, more than one school may be located within a single building.

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

(c) On or before January 15, 2021, and each January 15 thereafter, the department shall prepare and submit a report on the expenditures and revenues per student for each school. All expenditures of a school district shall be allocated to the schools operated within such district. The report shall include:

(1) Total expenditures per student;

(2) total revenues per student and revenues per student from federal, state and local sources;

(3) revenues per student from state and local sources as a percentage of the total revenue for the school;

(4) total expenditures per student as a percentage of total revenues per student; and

(5) student learning outcomes, including outcomes for all students and for each subgroup of students.

(d) (1) Each school year, the state board shall determine the school financial efficiency rating for each school using a rating system developed by the state board. The efficiency rating shall be based on the reported expenditures per student and the student learning outcomes for the school, such that a high rating indicates low expenditures per student and high student learning outcomes, while a low rating indicates high expenditures per student and low student learning outcomes.
(2) In determining the school financial efficiency rating, the state board shall use the expenditures per student reported under subsection (c). Student learning outcomes shall be determined based on the statewide assessments in math and reading.

(3) Each school district shall publish a school's financial efficiency rating in a prominent position on the homepage of the district's internet website and on the homepage of the school's internet website, if any.

(e) The state board shall identify not less than 10 specific school expenditures that the state board deems useful for the purposes of benchmarking and comparison among schools. In identifying such expenditures, the state board shall consider: (1) The extent to which the expenditure has a significant impact on student learning; (2) the extent to which comparisons of such expenditures will produce useful information; and (3) the effort required to accurately and uniformly report such expenditures. Each year, the state board shall review and may modify the list of expenditures identified pursuant to this subsection.

(f) The department shall make all information reported pursuant to this section and all student demographic information collected for each school available to the public in an easily accessible electronic format.

(g) The state board shall adopt rules and regulations necessary to implement the provisions of this section. The uniform reporting system developed pursuant to K.S.A. 2017 Supp. 72-1167, and amendments thereto, may be used by the state board for purposes of reporting expenditures and revenues as required by this section.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.