

HOUSE BILL No. 2796

By Committee on Appropriations

4-26

1 AN ACT concerning education; relating to the Kansas school equity and
2 enhancement act; BASE aid amounts; school district local option
3 budgets; amending K.S.A. 2017 Supp. 72-5132, as amended by section
4 2 of 2018 Substitute for Senate Bill No. 423, and 72-5143, as amended
5 by section 4 of 2018 Substitute for Senate Bill No. 423, and repealing
6 the existing sections.
7

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

9 New Section 1. (a) It is the public policy of the state of Kansas to
10 require school districts to adopt a local option budget pursuant to K.S.A.
11 2017 Supp. 72-5143, and amendments thereto, as part of the system for
12 finance of the educational interests of the state. Commencing in school
13 year 2018-2019, all school districts shall have a local option budget that is
14 at least 15% of such school district's total foundation aid.

15 (b) In any action challenging the adequacy of the state's provision for
16 finance of the educational interests of the state, the aggregate amount of
17 moneys provided for school districts from the adoption of a local option
18 budget required under K.S.A. 2017 Supp. 72-5143(a), and amendments
19 thereto, shall be included in determining the adequacy of the amount of
20 total funding provided by the legislature in making suitable provision for
21 finance of the educational interests of the state. The aggregate amount of
22 moneys provided for school districts from the adoption of a local option
23 budget in excess of the amount required under K.S.A. 2017 Supp. 72-
24 5143(a), and amendments thereto, also may be included in determining the
25 adequacy of the amount of total funding provided by the legislature in
26 making suitable provision for finance of the educational interests of the
27 state.

28 New Sec. 2. (a) (1) Subject to the provisions of subsection (e), the
29 provisions of this subsection shall apply in any school year in which the
30 amount of BASE aid is \$4,490 or less.

31 (2) The board of education of a school district may adopt a local
32 option budget that does not exceed the local option budget calculated as if
33 the BASE aid was \$4,490, or that does not exceed the local option budget
34 as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and amendments
35 thereto, whichever is greater.

36 (b) The board of education of a school district may adopt a local

1 option budget that does not exceed the local option budget calculated as if
2 the school district received state aid for special education and related
3 services equal to the amount of state aid for special education and related
4 services received in school year 2008-2009, or that does not exceed the
5 local option budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143,
6 and amendments thereto, whichever is greater.

7 (c) The board of any school district may exercise the authority
8 granted under subsection (a) or (b) or both subsections (a) and (b).

9 (d) To the extent that the provisions of K.S.A. 2017 Supp. 72-5143,
10 and amendments thereto, conflict with this section, this section shall
11 control.

12 (e) For school year 2019-2020, and each school year thereafter, the
13 specified dollar amount used in subsection (a) for purposes of determining
14 the local option budget of a school district shall be the specified dollar
15 amount used for the immediately preceding school year plus an amount
16 equal to the average percentage increase in the consumer price index for
17 all urban consumers in the midwest region as published by the bureau of
18 labor statistics of the United States department of labor during the three
19 immediately preceding school years.

20 Sec. 3. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018
21 Substitute for Senate Bill No. 423, is hereby amended to read as follows:
22 72-5132. As used in the Kansas school equity and enhancement act,
23 K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

24 (a) "Adjusted enrollment" means the enrollment of a school district
25 adjusted by adding the following weightings, if any, to the enrollment of a
26 school district: At-risk student weighting; bilingual weighting; career
27 technical education weighting; high-density at-risk student weighting; high
28 enrollment weighting; low enrollment weighting; school facilities
29 weighting; ancillary school facilities weighting; cost-of-living weighting;
30 special education and related services weighting; and transportation
31 weighting.

32 (b) "Ancillary school facilities weighting" means an addend
33 component assigned to the enrollment of school districts pursuant to
34 K.S.A. 2017 Supp. 72-5158, and amendments thereto, on the basis of costs
35 attributable to commencing operation of one or more new school facilities
36 by such school districts.

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

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

1 education program.

2 (d) "At-risk student weighting" means an addend component assigned
3 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
4 5151(a), and amendments thereto, on the basis of costs attributable to the
5 maintenance of at-risk educational programs by such school districts.

6 (e) "Base aid for student excellence" or "BASE aid" means an amount
7 appropriated by the legislature in a fiscal year for the designated year. The
8 amount of BASE aid shall be as follows:

9 (1) For school year 2018-2019, ~~\$4,900~~ \$4,165;

10 (2) for school year 2019-2020, ~~\$5,061~~ \$4,302;

11 (3) for school year 2020-2021, ~~\$5,222~~ \$4,439;

12 (4) for school year 2021-2022, ~~\$5,384~~ \$4,576;

13 (5) for school year 2022-2023, ~~\$5,545~~ \$4,713; and

14 (6) for school year 2023-2024, and each school year thereafter, the
15 BASE aid shall be the BASE aid amount for the immediately preceding
16 school year plus an amount equal to the average percentage increase in the
17 consumer price index for all urban consumers in the midwest region as
18 published by the bureau of labor statistics of the United States department
19 of labor during the three immediately preceding school years rounded to
20 the nearest whole dollar amount.

21 (f) "Bilingual weighting" means an addend component assigned to
22 the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5150,
23 and amendments thereto, on the basis of costs attributable to the
24 maintenance of bilingual educational programs by such school districts.

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

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

28 (i) "Categorical fund" means and includes the following funds of a
29 school district: Adult education fund; adult supplementary education fund;
30 at-risk education fund; bilingual education fund; career and postsecondary
31 education fund; driver training fund; educational excellence grant program
32 fund; extraordinary school program fund; food service fund; parent
33 education program fund; preschool-aged at-risk education fund;
34 professional development fund; special education fund; and summer
35 program fund.

36 (j) "Cost-of-living weighting" means an addend component assigned
37 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
38 5159, and amendments thereto, on the basis of costs attributable to the cost
39 of living in such school districts.

40 (k) "Current school year" means the school year during which state
41 foundation aid is determined by the state board under K.S.A. 2017 Supp.
42 72-5134, and amendments thereto.

43 (l) "Enrollment" means:

1 (1) The number of students regularly enrolled in kindergarten and
2 grades one through 12 in the school district on September 20 of the
3 preceding school year plus the number of preschool-aged at-risk students
4 regularly enrolled in the school district on September 20 of the current
5 school year, except a student who is a foreign exchange student shall not
6 be counted unless such student is regularly enrolled in the school district
7 on September 20 and attending kindergarten or any of the grades one
8 through 12 maintained by the school district for at least one semester or
9 two quarters, or the equivalent thereof.

10 (2) If the enrollment in a school district in the preceding school year
11 has decreased from enrollment in the second preceding school year, the
12 enrollment of the school district in the current school year means the sum
13 of:

14 (A) The enrollment in the second preceding school year, excluding
15 students under paragraph (2)(B), minus enrollment in the preceding school
16 year of preschool-aged at-risk students, if any, plus enrollment in the
17 current school year of preschool-aged at-risk students, if any; and

18 (B) the adjusted enrollment in the second preceding school year of
19 any students participating in the tax credit for low income students
20 scholarship program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and
21 amendments thereto, in the preceding school year, if any, plus the adjusted
22 enrollment in the preceding school year of preschool-aged at-risk students
23 who are participating in the tax credit for low income students scholarship
24 program pursuant to K.S.A. 2017 Supp. 72-4351 et seq., and amendments
25 thereto, in the current school year, if any.

26 (3) For any school district that has a military student, as that term is
27 defined in K.S.A. 2017 Supp. 72-5139, and amendments thereto, enrolled
28 in such district, and that received federal impact aid for the preceding
29 school year, if the enrollment in such school district in the preceding
30 school year has decreased from enrollment in the second preceding school
31 year, the enrollment of the school district in the current school year means
32 whichever is the greater of:

33 (A) The enrollment determined under paragraph (2); or

34 (B) the sum of the enrollment in the preceding school year of
35 preschool-aged at-risk students, if any, and the arithmetic mean of the sum
36 of:

37 (i) The enrollment of the school district in the preceding school year
38 minus the enrollment in such school year of preschool-aged at-risk
39 students, if any;

40 (ii) the enrollment in the second preceding school year minus the
41 enrollment in such school year of preschool-aged at-risk students, if any;
42 and

43 (iii) the enrollment in the third preceding school year minus the

1 enrollment in such school year of preschool-aged at-risk students, if any.

2 (4) The enrollment determined under paragraph (1), (2) or (3), except
3 if the school district begins to offer kindergarten on a full-time basis in
4 such school year, students regularly enrolled in kindergarten in the school
5 district in the preceding school year shall be counted as one student
6 regardless of actual attendance during such preceding school year.

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

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

19 (o) "General fund" means the fund of a school district from which
20 operating expenses are paid and in which is deposited all amounts of state
21 foundation aid provided under this act, payments under K.S.A. 2017 Supp.
22 72-528, and amendments thereto, payments of federal funds made
23 available under the provisions of title I of public law 874, except amounts
24 received for assistance in cases of major disaster and amounts received
25 under the low-rent housing program and such other moneys as are
26 provided by law.

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

29 (q) "High-density at-risk student weighting" means an addend
30 component assigned to the enrollment of school districts pursuant to
31 K.S.A. 2017 Supp. 72-5151(b), and amendments thereto, on the basis of
32 costs attributable to the maintenance of at-risk educational programs by
33 such school districts.

34 (r) "High enrollment weighting" means an addend component
35 assigned to the enrollment of school districts pursuant to K.S.A. 2017
36 Supp. 72-5149(b), and amendments thereto, on the basis of costs
37 attributable to maintenance of educational programs by such school
38 districts.

39 (s) "Juvenile detention facility" means the same as such term is
40 defined in K.S.A. 2017 Supp. 72-1173, and amendments thereto.

41 (t) "Local foundation aid" means the sum of the following amounts:

42 (1) ~~The amount of the proceeds from the tax levied under the~~
43 ~~authority of K.S.A. 2017 Supp. 72-5147, and amendments thereto, that is~~

1 levied to finance that portion of the school district's local option budget
2 that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and
3 amendments thereto, and not financed from any other source provided by
4 law;

5 ~~(2)~~ an amount equal to that portion of the school district's
6 supplemental state aid determined pursuant to K.S.A. 2017 Supp. 72-5145,
7 and amendments thereto, to equalize that portion of the school district's
8 local option budget that is required pursuant to K.S.A. 2017 Supp. 72-
9 5143(a), and amendments thereto, and not financed from any other source
10 provided by law;

11 ~~(3)~~ An amount equal to any unexpended and unencumbered balance
12 remaining in the general fund of the school district, except moneys
13 received by the school district and authorized to be expended for the
14 purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments
15 thereto;

16 ~~(4)~~(2) an amount equal to any remaining proceeds from taxes levied
17 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
18 prior to their repeal;

19 ~~(5)~~(3) an amount equal to the amount deposited in the general fund in
20 the current school year from moneys received in such school year by the
21 school district under the provisions of K.S.A. 2017 Supp. 72-3123(a), and
22 amendments thereto;

23 ~~(6)~~(4) an amount equal to the amount deposited in the general fund in
24 the current school year from moneys received in such school year by the
25 school district pursuant to contracts made and entered into under authority
26 of K.S.A. 2017 Supp. 72-3125, and amendments thereto;

27 ~~(7)~~(5) an amount equal to the amount credited to the general fund in
28 the current school year from moneys distributed in such school year to the
29 school district under the provisions of articles 17 and 34 of chapter 12 of
30 the Kansas Statutes Annotated, and amendments thereto, and under the
31 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
32 Annotated, and amendments thereto;

33 ~~(8)~~(6) an amount equal to the amount of payments received by the
34 school district under the provisions of K.S.A. 2017 Supp. 72-3423, and
35 amendments thereto;

36 ~~(9)~~(7) an amount equal to the amount of any grant received by the
37 school district under the provisions of K.S.A. 2017 Supp. 72-3425, and
38 amendments thereto; and

39 ~~(10)~~(8) an amount equal to 70% of the federal impact aid of the
40 school district.

41 (u) "Low enrollment weighting" means an addend component
42 assigned to the enrollment of school districts pursuant to K.S.A. 2017
43 Supp. 72-5149(a), and amendments thereto, on the basis of costs

1 attributable to maintenance of educational programs by such school
2 districts.

3 (v) "Operating expenses" means the total expenditures and lawful
4 transfers from the general fund of a school district during a school year for
5 all purposes, except expenditures for the purposes specified in K.S.A.
6 2017 Supp. 72-5168, and amendments thereto.

7 (w) "Preceding school year" means the school year immediately
8 before the current school year.

9 (x) "Preschool-aged at-risk student" means an at-risk student who has
10 attained the age of three years, is under the age of eligibility for attendance
11 at kindergarten, and has been selected by the state board in accordance
12 with guidelines governing the selection of students for participation in
13 head start programs.

14 (y) "Preschool-aged exceptional children" means exceptional
15 children, except gifted children, who have attained the age of three years
16 but are under the age of eligibility for attendance at kindergarten. The
17 terms "exceptional children" and "gifted children" have the same meaning
18 as those terms are defined in K.S.A. 2017 Supp. 72-3404, and amendments
19 thereto.

20 (z) "Psychiatric residential treatment facility" means the same as such
21 term is defined in K.S.A. 2017 Supp. 72-1173, and amendments thereto.

22 (aa) "School district" means a school district organized under the
23 laws of this state that is maintaining public school for a school term in
24 accordance with the provisions of K.S.A. 2017 Supp. 72-3115, and
25 amendments thereto.

26 (bb) "School facilities weighting" means an ~~added~~ *addend* component
27 assigned to the enrollment of school districts pursuant to K.S.A. 2017
28 Supp. 72-5156, and amendments thereto, on the basis of costs attributable
29 to commencing operation of one or more new school facilities by such
30 school districts.

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

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

35 (ee) "Special education and related services weighting" means an
36 addend component assigned to the enrollment of school districts pursuant
37 to K.S.A. 2017 Supp. 72-5157, and amendments thereto, on the basis of
38 costs attributable to the maintenance of special education and related
39 services by such school districts.

40 (ff) "State board" means the state board of education.

41 (gg) "State foundation aid" means the amount of aid distributed to a
42 school district as determined by the state board pursuant to K.S.A. 2017
43 Supp. 72-5134, and amendments thereto.

1 (hh) (1) "Student" means any person who is regularly enrolled in a
2 school district and attending kindergarten or any of the grades one through
3 12 maintained by the school district or who is regularly enrolled in a
4 school district and attending kindergarten or any of the grades one through
5 12 in another school district in accordance with an agreement entered into
6 under authority of K.S.A. 2017 Supp. 72-13,101, and amendments thereto,
7 or who is regularly enrolled in a school district and attending special
8 education services provided for preschool-aged exceptional children by the
9 school district.

10 (2) (A) Except as otherwise provided in this subsection, the following
11 shall be counted as one student:

12 (i) A student in attendance full-time; and

13 (ii) a student enrolled in a school district and attending special
14 education and related services, provided for by the school district.

15 (B) The following shall be counted as $\frac{1}{2}$ student:

16 (i) A student enrolled in a school district and attending special
17 education and related services for preschool-aged exceptional children
18 provided for by the school district; and

19 (ii) a preschool-aged at-risk student enrolled in a school district and
20 receiving services under an approved at-risk student assistance plan
21 maintained by the school district.

22 (C) A student in attendance part-time shall be counted as that
23 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
24 bears to full-time attendance.

25 (D) A student enrolled in and attending an institution of
26 postsecondary education that is authorized under the laws of this state to
27 award academic degrees shall be counted as one student if the student's
28 postsecondary education enrollment and attendance together with the
29 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time,
30 otherwise the student shall be counted as that proportion of one student (to
31 the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education
32 attendance and attendance in grades 11 or 12, as applicable, bears to full-
33 time attendance.

34 (E) A student enrolled in and attending a technical college, a career
35 technical education program of a community college or other approved
36 career technical education program shall be counted as one student, if the
37 student's career technical education attendance together with the student's
38 attendance in any of grades nine through 12 is at least $\frac{5}{6}$ time, otherwise
39 the student shall be counted as that proportion of one student (to the
40 nearest $\frac{1}{10}$) that the total time of the student's career technical education
41 attendance and attendance in any of grades nine through 12 bears to full-
42 time attendance.

43 (F) A student enrolled in a school district and attending a non-virtual

1 school and also attending a virtual school shall be counted as that
2 proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance
3 at the non-virtual school bears to full-time attendance.

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

9 (H) (i) Except as provided in clause (ii), a student enrolled in a school
10 district who is not a resident of Kansas shall be counted as follows:

11 (a) For school year 2018-2019, one student;

12 (b) for school years 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and

13 (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a
14 student.

15 (ii) This subparagraph (H) shall not apply to:

16 (a) A student whose parent or legal guardian is an employee of the
17 school district where such student is enrolled; or

18 (b) a student who attended public school in Kansas during school
19 year 2016-2017 and who attended public school in Kansas during the
20 immediately preceding school year.

21 (3) The following shall not be counted as a student:

22 (A) An individual residing at the Flint Hills job corps center;

23 (B) except as provided in paragraph (2), an individual confined in and
24 receiving educational services provided for by a school district at a
25 juvenile detention facility; and

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

29 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et
30 seq., and amendments thereto, shall be counted in accordance with the
31 provisions of K.S.A. 2017 Supp. 72-3715, and amendments thereto.

32 (ii) "Total foundation aid" means an amount equal to the product
33 obtained by multiplying the BASE aid by the adjusted enrollment of a
34 school district.

35 (jj) "Transportation weighting" means an addend component assigned
36 to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
37 5148, and amendments thereto, on the basis of costs attributable to the
38 provision or furnishing of transportation.

39 (kk) "Virtual school" means the same as such term is defined in
40 K.S.A. 2017 Supp. 72-3712, and amendments thereto.

41 Sec. 4. K.S.A. 2017 Supp. 72-5143, as amended by section 4 of 2018
42 Substitute for Senate Bill No. 423, is hereby amended to read as follows:
43 72-5143. (a) In each school year, the board of education of a school district

1 shall adopt, by resolution, a local option budget equal to 15% of the school
2 district's total foundation aid.

3 (b) If the board of education of a school district desires local option
4 budget authority above the amount required under subsection (a), the
5 board may adopt, by resolution, a local option budget in an amount that
6 does not exceed ~~27.5% of the school district's total foundation aid~~ *the*
7 *statewide average for the preceding school year as determined by the state*
8 *board pursuant to subsection (j)*. The adoption of a resolution pursuant to
9 this section shall require a majority vote of the members of the board.
10 Such resolution shall be effective upon adoption and shall require no other
11 procedure, authorization or approval.

12 (c) If the board of a school district desires local option budget
13 authority above the amount authorized under subsection (b), the board may
14 adopt, by resolution, such budget in an amount not to exceed the state
15 prescribed percentage. The adoption of a resolution pursuant to this
16 subsection shall require a majority vote of the members of the board. The
17 resolution shall be published at least once in a newspaper having general
18 circulation in the school district. The resolution shall be published in
19 substantial compliance with the following form:

20 Unified School District No. _____,
21 _____ County, Kansas.

22 RESOLUTION

23 Be It Resolved that:

24 The board of education of the above-named school district shall be
25 authorized to adopt a local option budget in each school year in an amount
26 not to exceed ____% of the amount of total foundation aid. The local
27 option budget authorized by this resolution may be adopted, unless a
28 petition in opposition to the same, signed by not less than 10% of the
29 qualified electors of the school district, is filed with the county election
30 officer of the home county of the school district within 40 days after
31 publication of this resolution. If a petition is filed, the county election
32 officer shall submit the question of whether adoption of the local option
33 budget shall be authorized to the electors of the school district at an
34 election called for the purpose or at the next general election, as is
35 specified by the board of education of the school district.

36 CERTIFICATE

37 This is to certify that the above resolution was duly adopted by the
38 board of education of unified school district No. _____, _____ County,
39 Kansas, on the ____ day of _____, _____.

40 _____
41 Clerk of the board of education.

42 All of the blanks in the resolution shall be filled appropriately. If a
43 sufficient petition is not filed, the board may adopt a local option budget.

1 If a sufficient petition is filed, the board may notify the county election
2 officer of the date of an election to be held to submit the question of
3 whether adoption of a local option budget shall be authorized. Any such
4 election shall be noticed, called and held in the manner provided by K.S.A.
5 10-120, and amendments thereto. If the board fails to notify the county
6 election officer within 30 days after a sufficient petition is filed, the
7 resolution shall be deemed abandoned and no like resolution shall be
8 adopted by the board within the nine months following publication of the
9 resolution.

10 (d) Unless specifically stated otherwise in the resolution, the authority
11 to adopt a local option budget shall be continuous and permanent. *The*
12 *board of any school district that is authorized to adopt a local option*
13 *budget may adopt a budget in an amount less than the amount authorized,*
14 *provided the board adopts a local option budget in an amount equal to or*
15 *greater than the amount required under subsection (a).*

16 (e) The board of any school district may initiate procedures to renew
17 or increase the authority to adopt a local option budget at any time during
18 a school year after the tax levied pursuant to K.S.A. 2017 Supp. 72-5147,
19 and amendments thereto, is certified to the county clerk under any existing
20 authorization.

21 (f) (1) Except as provided in paragraph (2), the board of any school
22 district authorized to adopt a local option budget prior to July 1, 2017,
23 under a resolution that authorized the adoption of such budget in
24 accordance with the provisions of K.S.A. 2017 Supp. 72-6471, prior to
25 July 1, 2017, may continue to operate under such resolution for the period
26 of time specified in the resolution if such resolution adopted a local option
27 budget equal to or greater than the amount required in subsection (a), or
28 may abandon the resolution and operate under the provisions of this
29 section. Any such school district shall operate under the provisions of this
30 section after the period of time specified in any previously adopted
31 resolution has expired.

32 (2) Any resolution adopted prior to July 1, 2017, pursuant to K.S.A.
33 72-6433(e)(2), prior to its repeal, that authorized the adoption of a local
34 option budget and that was not subsequently submitted to and approved by
35 a majority of the qualified electors of the school district voting at an
36 election called and held thereon shall expire on June 30, 2018, and shall
37 have no force and effect during school year 2018-2019 or any subsequent
38 school year.

39 (g) Any resolution adopted pursuant to this section may revoke or
40 repeal any resolution previously adopted by the board. If the resolution
41 does not revoke or repeal previously adopted resolutions, all resolutions
42 that are in effect shall expire on the same date. The maximum amount of
43 the local option budget of a school district under all resolutions in effect

1 shall not exceed the state prescribed percentage in any school year.

2 (h) For school year 2019-2020 and each school year thereafter, the
3 board of any school district that desires to increase its local option budget
4 authority for the immediately succeeding school year shall submit written
5 notice of such intent to the state board by April 1 of the current school
6 year. Such notice shall include the local option budget authority, expressed
7 as a percentage of the school district's total foundation aid, to be adopted
8 for the immediately succeeding school year. The board of a school district
9 shall not adopt a local option budget in excess of the authority stated in a
10 notice submitted pursuant to this subsection.

11 (i) (1) There is hereby established in each school district that adopts a
12 local option budget a supplemental general fund, which shall consist of all
13 amounts deposited therein or credited thereto according to law.

14 (2) (A) Of the moneys deposited in or otherwise credited to the
15 supplemental general fund of a school district pursuant to K.S.A. 2017
16 Supp. 72-5147, and amendments thereto, an amount that is proportional to
17 that amount of such school district's total foundation aid attributable to the
18 at-risk student weighting as compared to such district's total foundation aid
19 shall be transferred to the at-risk education fund of such school district and
20 shall be expended in accordance with K.S.A. 2017 Supp. 72-5153, and
21 amendments thereto.

22 (B) Of the moneys deposited in or otherwise credited to the
23 supplemental general fund of a school district pursuant to K.S.A. 2017
24 Supp. 72-5147, and amendments thereto, an amount that is proportional to
25 that amount of such school district's total foundation aid attributable to the
26 bilingual weighting as compared to such district's total foundation aid shall
27 be transferred to the bilingual education fund of such school district and
28 shall be expended in accordance with K.S.A. 2017 Supp. 72-3613, and
29 amendments thereto.

30 (3) Subject to the limitations imposed under paragraph (4), amounts
31 in the supplemental general fund may be expended for any purpose for
32 which expenditures from the general fund are authorized or may be
33 transferred to any categorical fund of the school district. Amounts in the
34 supplemental general fund attributable to any percentage over 25% of total
35 foundation aid determined for the current school year may be transferred
36 to the capital improvements fund of the school district and the capital
37 outlay fund of the school district if such transfers are specified in the
38 resolution authorizing the adoption of a local option budget in excess of
39 25%.

40 (4) Amounts in the supplemental general fund may not be expended
41 for the purpose of making payments under any lease-purchase agreement
42 involving the acquisition of land or buildings that is entered into pursuant
43 to the provisions of K.S.A. 2017 Supp. 72-1149, and amendments thereto.

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

5 (B) If the school district received supplemental state aid in the school
 6 year, the state board shall determine the ratio of the amount of
 7 supplemental general state aid received to the amount of the local option
 8 budget of the school district for the school year and multiply the total
 9 amount of the unexpended moneys remaining by such ratio. An amount
 10 equal to the amount of the product shall be transferred to the general fund
 11 of the school district or remitted to the state treasurer in accordance with
 12 the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt
 13 of any such remittance, the state treasurer shall deposit the same in the
 14 state treasury to the credit of the state school district finance fund.

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

18 (k) The provisions of this section shall be subject to the provisions of
 19 K.S.A. 2017 Supp. 72-5144 section 2, and amendments thereto.

20 ~~(k)~~(l) As used in this section:

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

23 (2) "State prescribed percentage" means ~~30.5%~~ 33% of the total
 24 foundation aid of the school district in the current school year.

25 ~~(3) For purposes of determining the school district's local option~~
 26 ~~budget under subsections (a), (b) and (c), "Total foundation aid" means the~~
 27 ~~same as such term is defined in K.S.A. 2017 Supp. 72-5132, and~~
 28 ~~amendments thereto, except the state aid for special education and related~~
 29 ~~services shall be divided by an amount equal to 85% of the BASE aid~~
 30 ~~amount, and the resulting quotient shall be used in determining the school~~
 31 ~~district's total foundation aid.~~

32 Sec. 5. K.S.A. 2017 Supp. 72-5132, as amended by section 2 of 2018
 33 Substitute for Senate Bill No. 423 and 72-5143, as amended by section 4
 34 of 2018 Substitute for Senate Bill No. 423, are hereby repealed.

35 Sec. 6. This act shall take effect and be in force from and after its
 36 publication in the statute book.