Substitute for SENATE BILL No. 423

By Select Committee on Education Finance

AN ACT concerning education; relating to the instruction and financing thereof; Kansas school equity and enhancement act; BASE aid amount; enrollment weighting; preschool aged at risk students; consolidated school district total foundation aid; local option budget alternative calculation; funding reports; performance audits; bond authority; making and concerning appropriations for the fiscal years ending June 30, 2019, June 30, 2020, and June 30, 2021, for the department of education; making and concerning appropriations for the fiscal year ending June 30, 2019, for the state board of regents; amending K.S.A. 2017 Supp. 72-5132, 72-5141, 72-5144, 72-5149, 72-5155, 72-5171, 72-5173 and 72-5461 and repealing the existing sections;

WHEREAS, The educational interests of this state concern the areas of social emotional learning, kindergarten readiness, individual plans of study, graduation and postsecondary success; and

WHEREAS, In order to address such varied interests, the public education system in this state must provide support and services for students and their families, both in the classroom and in the community; and

WHEREAS, For school year 2018-2019, the legislature has made provision for instruction and support services for public school students in the classroom in excess of $4.89 billion in an effort to update the school finance funding level and formula to account for student population and inflation, since the last time the Kansas supreme court found the provision of school finance to be acceptable; and

WHEREAS, The legislature acknowledges that support services in
the community are also vital to student achievement; and

WHEREAS, For school year 2018-2019, the legislature has made
provision for support services outside of the classroom in excess of
$188.6 million; and

WHEREAS, The support services for students outside of the
classroom are provided through a myriad of state agencies and
institutions, such as the state department of education, the department
for children and families, the department of health and environment,
the department of transportation, the office of the attorney general,
the state board of regents, the six regents’ universities, the state
historical society and the state library; and

WHEREAS, The community support services that are provided
address the needs of all students from birth to high school graduate
through programs such as newborn screenings, infant and toddler
services, pre-k programs, Kansas early head start, Kansas reading
success, children’s cabinet programs, parent education programs,
communities in schools, vocational rehabilitation case services,
independent living and life skills services, jobs for America's
graduates and excel in career technical education.

Now, therefore:

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, 2019, the following:
State foundation aid (652-00-1000-0820)  $20,720,000
Special education services aid (652-00-1000-0700)  $12,000,000
Supplemental state aid (652-00-1000-0840)  $1,620,000
ACT and workkeys assessments program  $2,800,000

Provided. That expenditures shall be made by the above agency from the
ACT and workkeys assessments program account to provide the ACT
college entrance exam and the three ACT workkeys assessments that are
required to earn a national career readiness certificate to each student
enrolled in grades nine through 12: Provided further, That no student
enrolled in grades nine through 12 of any school district shall be required
to pay any fees or costs to take such exam and assessments: And provided:
further, That in no event shall any school district be required to provide for
more than one exam and three assessments per student: And provided:
further, That the state board of education may enter into any contracts that
are necessary to promote statewide cost savings to administer such exams
and assessments:
Mentor teacher (652-00-1000-0440)  $500,000
Professional development  $1,500,000
Statewide community mental health center and other mental health provider pilot program.................$10,000,000

Provided. That expenditures shall be made by the above agency to improve social-emotional wellness and outcomes for students by increasing schools' access to counselors, social workers and psychologists statewide, which includes establishing or expanding collaborative relationships with community mental health centers and other mental health providers, including a statewide pilot program for school districts and their respective community mental health centers and other mental health providers for fiscal year 2019: Provided further. That priority shall be given to school districts and schools that have not established collaborative relationships with community mental health centers or other mental health providers in their communities.

ABC early childhood intervention program........................................$1,760,000

Provided. That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: Provided. That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: Provided further. That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: And provided further. That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: And provided further. That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: And provided further. That the above agency may expend an amount not to exceed $264,000 from such account for research and evaluation of processes utilized by or related to such program.

Parent education program............................................................$3,000,000

Provided. That expenditures from the parent education program account for each such grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant.

(b) On July 1, 2018, during the fiscal year ending June 30, 2019, any expenditures from the parent education program account (652-00-2000-2510) of the children's initiatives fund by section 2(c) of chapter 95 of the 2017 Session Laws of Kansas for each grant shall be matched by the school district in an amount that is equal to not less than 50% of the grant, and on July 1, 2018, the provisions of section 2(c) of chapter 95 of the 2017 Session Laws of Kansas that provide for such match to be in an amount that is equal to not less than 65% of the grant are hereby declared to be null and void and shall have no force and effect.
Sec. 2—
STATE BOARD OF REGENTS
(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2019, the following:
Non-tiered course credit hour grant: [Concurrent enrollment pilot program]\........................................................................ $1,500,000
Provided. That the above agency shall make expenditures from the non-tiered course credit hour grant: [concurrent enrollment pilot program], account during the fiscal year ending June 30, 2019, to establish a concurrent enrollment pilot program: Provided further. That such program shall offer qualified students enrolled in grades nine through 12 in a school district during school year 2018-2019 the opportunity to take English composition I through a postsecondary educational institution at no cost to such student.
Sec. 3—
DEPARTMENT OF EDUCATION
(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2020, the following:
ABC early childhood intervention program......................................... $3,520,000
Provided. That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: Provided. That such program shall use scientific, evidence-based practices to identify early childhood at-risk indicators: Provided further. That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: And provided further. That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: And provided further. That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: And provided further. That the above agency may expend an amount not to exceed $528,000 from such account for research and evaluation of processes utilized by or related to such program:
Sec. 4—
DEPARTMENT OF EDUCATION
(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2021, the following:
ABC early childhood intervention program......................................... $5,280,000
Provided. That expenditures shall be made by the above agency to implement the ABC early childhood intervention program: Provided. That such program shall use scientific, evidence-based practices to identify—
early childhood at-risk indicators: Provided further. That such program shall connect parents and legal guardians of children between the ages of six months and four years who are identified as early childhood at-risk with services to be provided by trained parent coaches: And provided further. That the above agency shall work in collaboration with and operationally fund the bureau of family health in the department for health and environment in the development, implementation and expansion of such program: And provided further. That both the above agency and the bureau of family health in the department for health and environment shall consult with the united methodist health ministry fund for the duration of the program: And provided further. That the above agency may expend an amount not to exceed $792,000 from such account for research and evaluation of processes utilized by or related to such program.

Sec. 5. K.S.A. 2017 Supp. 72-5132 is hereby amended to read as follows: 72-5132. As used in the Kansas school equity and enhancement act, K.S.A. 2017 Supp. 72-5131 et seq., and amendments thereto:

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

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

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

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

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

(e) "Base aid for student excellence" or "BASE aid" means an amount appropriated by the legislature in a fiscal year for the designated year. The
amount of BASE aid shall be as follows:
(1) For school year 2017-2018, $4,006;
(2) For school year 2018-2019, $4,128; $4,258;
(2) for school year 2019-2020, $4,334;
(3) for school year 2020-2021, $4,412;
(4) for school year 2021-2022, $4,492;
(5) for school year 2022-2023, $4,574; and
(3)(6) for school year 2019-2020, 2023-2024, and each school year
thereafter, the BASE aid shall be the BASE aid amount for the
immediately preceding school year plus an amount equal to the average
percentage increase in the consumer price index for all urban consumers in
the midwest region as published by the bureau of labor statistics of the
United States department of labor during the three immediately preceding
school years.
(f) "Bilingual weighting" means an addend component assigned to
the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5150,
and amendments thereto, on the basis of costs attributable to the
maintenance of bilingual educational programs by such school districts.
(g) "Board" means the board of education of a school district.
(h) "Budget per student" 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: Adult education fund; adult supplementary education fund;
at-risk education fund; bilingual education fund; career and postsecondary
education fund; driver training fund; educational excellence grant program
fund; extraordinary school program fund; food service fund; parent-
education program fund; preschool aged at risk education fund;
professional development fund; special education fund; and summer
program fund.
(j) "Cost-of-living weighting" means an addend component assigned
to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-
5159, and amendments thereto, on the basis of costs attributable to the cost
of living in such school districts.
(k) "Current school year" means the school year during which state
foundation aid is determined by the state board under K.S.A. 2017 Supp.
72-5134, and amendments thereto.
(l) "Declining enrollment weighting" means an addend component
assigned to the enrollment of school districts pursuant to K.S.A. 2017
Supp. 72-5160, and amendments thereto, on the basis of costs attributable
to the declining enrollment of such school districts.
(m) "Enrollment" means:
(1) The number of students regularly enrolled in kindergarten and
grades one through 12 in the school district on September 20 of the-
preceding school year plus the number of preschool-aged at-risk students regularly enrolled in the school district on September 20 of the current school year, except a student who is a foreign exchange student shall not be counted unless such student is regularly enrolled in the school district on September 20 and attending kindergarten or any of the grades one through 12 maintained by the school district for at least one semester or two quarters, or the equivalent thereof.

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

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

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

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

(A) The enrollment determined under subsection (m)(2); or

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

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

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

(iii) the enrollment in the third preceding school year minus the enrollment in such school year of preschool-aged at-risk students, if any.

(4) (A) For school year 2017-2018, the enrollment determined under
paragraph (1), (2) or (3), except if the school district offers kindergarten on a full-time basis in such school year, students regularly enrolled in kindergarten in the school district in the preceding school year shall be counted as one student regardless of actual attendance during such preceding school year.

(B) For school year 2018-2019 and each school year thereafter, the enrollment determined under paragraph (1), (2) or (3), except if the school district begins to offer kindergarten on a full-time basis in such school year, students regularly enrolled in kindergarten in the school district in the preceding school year shall be counted as one student regardless of actual attendance during such preceding school year.

(n) "Enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149, and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

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

(p) "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 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.

(q) "General fund" means the fund of a school district from which operating expenses are paid and in which is deposited all amounts of state foundation aid provided under this act, payments under K.S.A. 2017 Supp. 72-528, 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.

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

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

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

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

(u) "Local foundation aid" 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 moneys received by the school district and authorized to be expended for the purposes specified in K.S.A. 2017 Supp. 72-5168, and amendments thereto;

2. 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;

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

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

5. An amount equal to the amount credited to the general fund in the current school year from moneys 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;

6. An amount equal to the amount of payments received by the school district under the provisions of K.S.A. 2017 Supp. 72-3423, and amendments thereto;

7. An amount equal to the amount of any grant received by the school district under the provisions of K.S.A. 2017 Supp. 72-3425, and amendments thereto; and

8. An amount equal to 70% of the federal impact aid of the school district;

(v) "Low enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149(a), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(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 K.S.A.
2017 Supp. 72-5168, and amendments thereto.

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

(yx) "Preschool aged at risk student" means: (1) An at risk student
who has attained the age of four years, is under the age of eligibility for
attendance at kindergarten, and has been selected by the state board in
accordance with guidelines governing the selection of students for
participation in head start programs; and for

(2) an at risk student who has attained the age of three years, is
under the age of eligibility for attendance at kindergarten and has been
selected by the state board in accordance with guidelines governing the
selection of students for participation in head start programs as long as
such students do not replace four-year old preschool aged at risk students
and only fill available openings.

(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. The
terms "exceptional children" and "gifted children" have the same meaning
as those terms are defined in K.S.A. 2017 Supp. 72-3404, and amendments
thereto.

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

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

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

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

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

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

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

"Student" means any person who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 maintained by the school district or who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 in another school district in accordance with an agreement entered into under authority of K.S.A. 2017 Supp. 72-13,101, 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) Except as otherwise provided in this subsection, the following shall be counted as one student:

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

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

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

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

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

(C) A student in attendance part-time shall be counted as that proportion of one student (to the nearest \( \frac{1}{2} \)) that the student’s attendance bears to full-time attendance.

(D) A student enrolled in and attending an institution of postsecondary education that is authorized under the laws of this state to award academic degrees shall be counted as one student if the student’s postsecondary education enrollment and attendance together with the student’s attendance in either of the grades 11 or 12 is at least \( \frac{5}{6} \) time; otherwise, the student shall be counted as that proportion of one student (to the nearest \( \frac{1}{2} \)) that the total time of the student’s postsecondary education attendance and attendance in grades 11 or 12, as applicable, bears to full-time attendance.

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

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

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

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

(a) For school years 2017-2018 and 2018-2019, one student;
(b) for school year 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and
(e) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a student.

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

(a) A student whose parent or legal guardian is an employee of the school district where such student is enrolled; or
(b) a student who attended public school in Kansas during school year 2016-2017 and who attended public school in Kansas during the immediately preceding school year.

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

(A) An individual residing at the Flint Hills job corps center;
(B) except as provided in subsection (ii)(2)(hh)(2), an individual confined in and receiving educational services provided for by a school district at a juvenile detention facility; and
(C) an individual enrolled in a school district but housed, maintained and receiving educational services at a state institution or a psychiatric residential treatment facility.

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

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

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

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

Sec. 6. K.S.A. 2017 Supp. 72-5141 is hereby amended to read as follows: 72-5141. (a) Notwithstanding the provisions of subsection (b), for any school district formed by consolidation in accordance with article 7 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, in school years 2018-2019, 2019-2020 and 2020-2021, the state board shall determine the total foundation aid of any such school district as the greater of either the amount determined under this act or the amount determined as follows:

(1) Determine the sum of the amount of the total foundation aid received by each of the former school districts that comprise the consolidated school district in the school year preceding the date the consolidation was completed;

(2) For the first school year following the date of consolidation, the total foundation aid shall be 105% of the sum determined under subsection (a)(1);

(3) For the second school year following the date of consolidation, the total foundation aid shall be 104% of the sum determined under subsection (a)(1);

(4) For the third school year following the date of consolidation, the total foundation aid shall be 103% of the sum determined under subsection (a)(1);

(5) For the fourth school year following the date of consolidation, the total foundation aid shall be 102% of the sum determined under subsection (a)(1);

(6) For the fifth school year following the date of consolidation, the total foundation aid shall be 101% of the sum determined under subsection (a)(1);

(7) For the sixth school year following the date of consolidation, the total foundation aid shall be 100% of the sum determined under subsection (a)(1); and

(8) For the seventh school year following the date of consolidation and each school year thereafter, the total foundation aid shall be determined as provided under this act.

(b) (1) Except as provided in subsection (a), for the purposes of this act, the total foundation aid for any school district formed by consolidation in accordance with the statutory provisions contained in article 7 of chapter 72 of the Kansas Statutes Annotated, and amendments thereto, shall be computed by the state board by determining the amount of the total foundation 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 total foundation aid of the consolidated school district.
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district for the school year in which the consolidation was completed.

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

(3) If all of the former school districts had an enrollment of at least
150 students, but any had less than 200 students in the school year
preceding the consolidation, the total foundation 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 this
act.

(4) If all of the former school districts had an enrollment of 200 or
more students in the school year preceding the consolidation, the total
foundation 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 this act.

(5) If the consolidation involved the consolidation of three or more
school districts, regardless of the number of students enrolled in the school
districts, the total foundation 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 this act.

(b)(c) (1) The provisions of this subsection shall apply to school
districts that have been enlarged by the attachment of territory pursuant to
the procedure established in article 6 of chapter 72 of the Kansas Statutes
Annotated, and amendments thereto.

(2) For the purposes of this act, the total foundation 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 the total
foundation 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 total foundation aid of the enlarged
school district for the school year in which the attachment is completed.

(2) If any of the former school districts had an enrollment of less than
150 students in the school year preceding the attachment, the total
foundation aid of the enlarged school district for the two school years
following the school year in which the attachment was completed shall be
the greater of: (A) The amount received in the school year in which the
attachment was completed; or (B) the amount the school district would
receive under this act.

(4) If all of the former school districts had an enrollment of at least
150 students, but any had less than 200 students in the school year
preceding the attachment, the total foundation 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 this act.

(5) If all of the former school districts had an enrollment of 200 or
more students in the school year preceding the attachment, the total
foundation 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 this act.

(6) If three or more school districts, regardless of the number of
students enrolled in the school districts, are disorganized and attached to a
single school district, the total foundation 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 this act.

(7) Except as specifically provided by this paragraph for the
allocation of total foundation 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 6 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 total foundation aid for each school
district to which any territory from the disorganized school district is
attached, shall be computed by the state board as follows: (A) Determine
the amount of total foundation aid received by the former school district in
the school year preceding the date the disorganization and attachment was
completed; (B) determine the amount of total foundation aid received by
the enlarged school district in the school year preceding the date the
disorganization and attachment was completed; (C) determine the assessed
valuation of the former school district in the school year preceding the date
the disorganization and attachment was completed; (D) determine the-
assessed valuation of the territory attached to each enlarged school district;
(E) allocate the amount of the total foundation aid received by the former
school district in the school year preceding the date the disorganization
and attachment was completed to each of the enlarged school districts in
the same proportion the assessed valuation of the territory attached to each
school district bears to the assessed valuation of the former school district;
and (F) add the amounts determined under subparagraphs (B) and (E). The
sum is the total foundation aid of the enlarged school district for the school
year in which the attachment is completed.

Sec. 7. K.S.A. 2017 Supp. 72-5144 is hereby amended to read as
follows: 72-5144. (a) (1) Subject to the provisions of subsection (e), the
provisions of this subsection shall apply in any school year in which the
amount of BASE aid is $4,490 or less:
(2) The board of education of a school district may adopt a local
option budget that does not exceed the local option budget calculated as if
the BASE aid was $4,490 or more, or that does not exceed the local option
budget as calculated pursuant to K.S.A. 2017 Supp. 72-5143, and
amendments thereto, whichever is greater:
(b) The board of education of a 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 K.S.A. 2017 Supp. 72-5143,
and amendments thereto, whichever is greater:
(c) The board of any school district may exercise the authority
granted under subsection (a) or (b) or both subsections (a) and (b):
(d) To the extent that the provisions of K.S.A. 2017 Supp. 72-5143,
and amendments thereto, conflict with this section, this section shall
control.
(e) For school year 2019-2020, and each school year thereafter, the
specified dollar amount used in subsection (a) for purposes of determining
the local option budget of a school district shall be the specified dollar
amount used for the immediately preceding school year plus an amount
equal to the average percentage increase in the consumer price index for
all urban consumers in the midwest region as published by the bureau of
labor statistics of the United States department of labor during the three
immediately preceding school years.

Sec. 8. K.S.A. 2017 Supp. 72-5149 is hereby amended to read as
follows: 72-5149. (a) The low enrollment weighting of each school
district shall be determined by the state board as follows:
(1) For school districts with an enrollment of fewer than 100
students, multiply the enrollment of the school district by 1.014331—
The resulting product is the low enrollment weighting of the school district:

(2) (b) for school districts with an enrollment of at least 100 students, but fewer than 300 students:
(A) (1) Subtract 100 from the enrollment of the school district;
(B) (2) multiply the difference obtained under subsection (a)(2)(A) (b) from 9.655;
(C) (3) subtract the product obtained under subsection (a)(2)(B) (b)(2) from 7,337;
(D) (4) divide the difference obtained under subsection (a)(2)(C) (b) by 3,642.4;
(E) (5) subtract one 1.03504 from the quotient obtained under subsection (a)(2)(D) (b)(4); and
(F) (6) multiply the difference obtained under subsection (a)(2)(E) (b) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district;

(3) (c) for school districts with an enrollment of at least 300 students, but fewer than 1,622 students:
(A) (1) Subtract 300 from the enrollment of the school district;
(B) (2) multiply the difference obtained under subsection (a)(3)(A) (c) from 1.2375;
(C) (3) subtract the product obtained under subsection (a)(3)(B) (c)(2) from 5,406;
(D) (4) divide the difference obtained under subsection (a)(3)(C) (c) by 3,642.4;
(E) (5) subtract one 1.03504 from the quotient obtained under subsection (a)(3)(D) (c)(4); and
(F) (6) multiply the difference obtained under subsection (a)(3)(E) (c) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district;

(b) For school districts with an enrollment of at least 1,622 students, multiply the enrollment of the school district by 0.03504. The resulting product is the high enrollment weighting of the school district.

Sec. 9. K.S.A. 2017 Supp. 72-5155 is hereby amended to read as follows: 72-5155. (a) The career technical education weighting of each school district shall be determined by the state board by multiplying the full-time equivalent enrollment in approved career technical education programs during the preceding school year by 0.5. The resulting product is the career technical education weighting of the school district.

(b) The provisions of this section shall expire on July 1, 2019.

Sec. 10. K.S.A. 2017 Supp. 72-5171 is hereby amended to read as follows: 72-5171. (a) On or before January 15 of each year, the state department of education shall prepare and submit reports on school district
funding for each school district to the governor and the legislature.

(b) Each report shall contain the information described in subsection (c) for the school district in terms of actual dollar amounts for the second and immediately preceding school years and budgeted dollar amounts for the current school year.

(c) Each report shall contain the following information for the school district:

1. Full-time equivalent enrollment;
2. Demographic information, including, but not limited to, gender, race, ethnicity, students who are economically disadvantaged, migrants, English language learners and students with disabilities;
3. Total general and supplemental general funds, including a showing of funding provided by federal sources, state sources and local sources, and total funds per student;
4. Total capital outlay funds, including a showing of such funding provided by federal sources, state sources and local sources, and capital outlay funds per student;
5. Total bond and interest funds, including a showing of such funding provided by federal sources, state sources and local sources, and bond and interest funds per student;
6. Total of all other funds not described in paragraphs (3), (4) and (5), excluding fund transfers, including a showing of such funding provided by federal sources, state sources and local sources, and total funds per student;
7. Total funds per student of all funds described in paragraphs (3) through (6);
8. General fund moneys attributable to the following:
   A. BASE aid;
   B. High enrollment weighting;
   C. Low enrollment weighting;
   D. School facilities weighting;
   E. Transportation weighting;
   F. At-risk student weighting;
   G. Preschool-aged at-risk student weighting;
   H. High-density at-risk student weighting;
   I. Career technical education weighting;
   J. Special education and related services weighting;
   K. Bilingual weighting;
   L. Ancillary school facilities weighting;
   M. Cost of living weighting;
   N. Declining enrollment weighting; and
   O. Virtual school state aid;
9. Total expenditures on the following:
(A) At-risk education programs and services;
(B) preschool-aged at-risk education programs and services;
(C) bilingual education programs and services;
(D) career and technical education programs and services;
(E) special education and related services; and
(F) virtual school programs and services;
and
(10) total expenditures from the special retirement contributions fund; and
(11) general obligation bond indebtedness.

(d) The state board shall provide uniform guidelines for what constitutes total expenditures for the programs and services listed under subsection (c)(9).

Sec. 11. K.S.A. 2017 Supp. 72-5173 is hereby amended to read as follows: 72-5173. The legislative post audit committee shall direct the legislative division of post audit to conduct the following performance audits in the fiscal year specified:

(a) A performance audit of transportation services funding. The audit should include a comparison of the amount of transportation services funding school districts receive to the cost of providing transportation services. This performance audit shall be conducted during fiscal year 2018, and the final audit report shall be submitted to the legislature on or before January 15, 2018.

(b) A performance audit of at-risk education funding. The audit should evaluate the method of counting students for at-risk education funding, the level of the at-risk student weighting and high-density at-risk student weighting under the act and how school districts are expending moneys provided for at-risk education. This performance audit shall be conducted during fiscal year 2020-2021, and the final audit report shall be submitted to the legislature on or before January 15, 2021.

(c) A performance audit of bilingual education funding. The audit should evaluate the method of counting students for bilingual education funding, the level of the bilingual weighting under the act and how school districts are expending moneys provided for bilingual education. This performance audit shall be conducted during fiscal year 2023, and the final audit report shall be submitted to the legislature on or before January 15, 2023.

(d) A study of statewide virtual school programs administered in other states. The study shall include, but not be limited to, the following:

(1) The aggregate cost incurred by each state administering a virtual school program, and the cost incurred by individual school districts or schools within each state;

(2) the resources necessary for the implementation of each virtual school program, including, but not limited to, personnel, equipment,
software and facility usage;
(3) the scope of each virtual school program; and
(4) the effectiveness of each virtual school program with respect to
student performance and outcomes.
The audit shall be conducted during fiscal year 2024, and the final
audit report shall be submitted to the legislature on or before January 15,
2024.

e) (1) A performance audit to provide a reasonable estimate of the
cost of providing educational opportunities for every public school student
in Kansas to achieve the performance outcome standards adopted by the
state board of education. This performance audit shall be conducted three
times as follows:
(A) During fiscal year 2019, and the final report submitted to the
legislature on or before January 15, 2019;
(B) during fiscal year 2022, and the final report submitted to the
legislature on or before January 15, 2022; and
(C) during fiscal year 2025, and the final report submitted to the
legislature on or before January 15, 2025.
(2) Each performance audit required under this subsection shall:
(A) Include reasonable estimates of the costs of providing specialized
education services as required by law, including, but not limited to, special
education and related services, bilingual education and at-risk programs;
and
(B) account for other factors which may contribute to variations in:
costs incurred by school districts, including, but not limited to, total
district enrollment and geographic location within the state;
(3) In conducting each performance audit required under this
subsection:
(A) Any examination of historical data and expenditures shall correct
any recognized inadequacy of such data or expenditure through a
statistically valid method of extrapolation; and
(B) subject to the limitations of the division of legislative post audit
budget and appropriations therefor, the legislative post auditor may enter
into contracts with consultants as the post auditor deems necessary.
(f) A performance audit to identify best practices in successful
schools. The audit should include a comparison of the educational methods
and other practices of demographically similar school districts that achieve
significantly different student outcomes based on performance outcome
standards adopted by the state board of education. This performance audit
shall be conducted during fiscal year 2021, and the final audit report shall
be submitted to the legislature on or before January 15, 2021. The audit
shall be conducted a second time during fiscal year 2026, and the final
audit report shall be submitted to the legislature on or before January 15,
provide a reasonable estimate of the costs of providing special education and related services, including, but not limited to, other factors which may contribute to variations in costs incurred by school districts. This performance audit shall be conducted during fiscal year 2020, and the final audit report shall be submitted to the legislature on or before January 15, 2020.

Sec. 12. K.S.A. 2017 Supp. 72-5461 is hereby amended to read as follows: 72-5461. (a) Upon receiving an application under K.S.A. 2017 Supp. 72-5460, and amendments thereto, the state board of education shall review the application and examine the evidence furnished in support of the application.

(b) (1) Commencing in school year 2017-2018, the state board of education shall not approve any application submitted during the current school year if such approval would result in the aggregate amount of all general obligation bonds approved by the state board for such school year exceeding the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year as determined by the state board of education pursuant to subsection (e). For any application submitted during the current school year in excess of $200,000,000, the state board shall apply an amount of $200,000,000 when determining whether the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year has been exceeded.

(2) In determining whether to approve an application, the state board shall prioritize applications 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;

(2)(2) The state board shall not consider a school district's eligibility for capital improvement state aid, or the amount of capital improvement state aid a school district would be eligible to receive, in determining whether to approve such district's application.

(3)(4) The provisions of subsection (b)(1) and (2) shall not apply to
school districts that have not issued any general obligation bonds in the 25
years prior to the current school year.

(e) After reviewing the application and examining the supportive
evidence, the state board of education shall issue an order either granting
or denying the application. If the application is approved, the applicant
board of education shall request the county election officer to hold an
election to vote upon the question of issuing the increased amount of
bonds in the manner provided by law.

(d) Any application that is denied pursuant to subsection (b) may be
tentatively approved by the state board of education for the immediately
succeeding school year. The amount of general obligation bonds approved
in any such application shall be counted first towards the aggregate
amount of all general obligation bonds approved by the state board for
such school year.

(e) Commencing in school year 2017-2018, the state board of
education shall determine the aggregate principal amount of general
obligation bonds retired in the immediately preceding school year. In
determining such amount, the state board of education shall adjust the
aggregate principal amount of general obligation bonds retired in the:
immediately preceding school year by the three-year compounded
producer price index industry data for new school building as reported by
the bureau of labor statistics.

(f) The provisions of subsections (b), (d) and (e) shall expire on June
30, 2022.

Sec. 13. K.S.A. 2017 Supp. 72-5132, 72-5141, 72-5144, 72-5149, 72-
5155, 72-5171, 72-5173 and 72-5461 are hereby repealed.

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, 2019, the following:
Operating expenditures
(including official hospitality) (652-00-1000-0053).................$15,000
Provided, That during the fiscal year ending June 30, 2019, in addition
to the other purposes for which expenditures may be made by the
above agency from moneys appropriated for the operating
expenditures (including official hospitality) account for fiscal year
2019 by chapter 95 or 104 of the 2017 Session Laws of Kansas, this or
any other appropriation act of the 2018 regular session of the
legislature, expenditures shall be made by the above agency to
implement the jobs for America's graduates - Kansas pilot program:
Provided further, That such program shall select a total of 75 students
for participation in the program with 25 students selected from the
Wichita school district (U.S.D. no. 259), 25 students selected from the
Topeka school district (U.S.D. no. 501) and 25 students selected from the Kansas City school district (U.S.D. no. 500): And provided further, That students shall be selected for participation in the program on or before September 20, 2018: And provided further, That the selected students shall enroll in and attend classes at schools operated by such student's resident school district for ½ of such student's total school attendance, and shall enroll in classes provided by a virtual school operated by the southeast Kansas education service center - Greenbush for the remaining ½ of such student's total school attendance: And provided further, That expenditures shall be made in an amount not to exceed $15,000 to acquire laptop computer devices for use by students participating in such pilot program.

State foundation aid (652-00-1000-0820)...............................$26,024,200

Special education services aid
(652-00-1000-0700).......................................................$32,400,363
Supplemental state aid (652-00-1000-0840)..........................$5,994,000
ACT and workkeys assessments program............................$2,800,000
Provided, That expenditures shall be made by the above agency from the ACT and workkeys assessments program account to provide the ACT college entrance exam and the three ACT workkeys assessments that are required to earn a national career readiness certificate to each student enrolled in grades nine through 12: Provided further, That no student enrolled in grades nine through 12 of any school district shall be required to pay any fees or costs to take such exam and assessments: And provided further, That in no event shall any school district be required to provide for more than one exam and three assessments per student: And provided further, That the state board of education may enter into any contracts that are necessary to promote statewide cost savings to administer such exams and assessments.

Mentor teacher (652-00-1000-0440)......................................$500,000
Mental health intervention team pilot program....................$4,190,776
Provided, That expenditures shall be made by the above agency to implement the mental health intervention team pilot program so as to improve social-emotional wellness and outcomes for students by increasing schools' access to counselors, social workers and psychologists statewide: Provided, That school districts participating in such program shall enter into the necessary memorandums of understanding and other necessary agreements with participating community mental health centers and the appropriate state agencies to implement the pilot program: Provided further, That mental health intervention teams shall consist of school liaisons employed by the participating school district, and clinical therapists and case managers
employed by the participating community mental health center: And
provided further, That the following shall participate in the pilot
program for fiscal year 2019: (1) 23 schools in the Wichita school
district (U.S.D. no. 259); (2) 28 schools in the Topeka school district
(U.S.D. no. 501); (3) 10 schools in the Kansas City school district
(U.S.D. no. 500); (4) 5 schools in the Parsons school district (U.S.D. no.
503); (5) 4 schools in the Garden City school district (U.S.D. no. 457);
and (6) 9 schools served by the central Kansas cooperative in
education: And provided further, That on or before June 30, 2019, the
director of the division of health care finance of the department of
health and environment shall certify to the director of the budget and
the director of the legislative research department the aggregate
amount of expenditures for fiscal year 2019 for treatment and services
for students provided under the mental health intervention team pilot
program, or provided based on a referral from such program.

MHIT pilot program – online database..............................................$2,500,000
MHIT school liaisons.................................................................$3,263,110

Provided, That expenditures shall be made by the above agency for
mental health intervention team school liaisons employed by those
school districts and education cooperatives participating in the mental
health intervention team pilot program.

(b) During fiscal year 2019, upon certification by the
commissioner of education that the necessary memorandums of
understanding have been executed between the participating school
districts and community mental health centers to implement the
mental health intervention team pilot program, the director of
accounts and reports shall transfer $1,541,050 from the mental health
intervention pilot program account in the state general fund of the
department of education to the community mental health center
improvement fund of the department for aging and disability services:
Provided, That moneys transferred pursuant to this subsection shall be
expended to provide treatment and services for students under the
mental health intervention team pilot program who are uninsured or
underinsured.

Sec. 2. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5132 is
hereby amended to read as follows: 72-5132. As used in the Kansas
school equity and enhancement act, K.S.A. 2017 Supp. 72-5131 et seq.,
and amendments thereto:

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

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

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

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

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

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

(1) For school year 2017-2018, $4,006
(2) For school year 2018-2019, $4,900
(3) For school year 2019-2020, $5,061
(4) For school year 2020-2021, $5,222
(5) For school year 2021-2022, $5,384
(6) For school year 2022-2023, $5,545; and
(3) For school year 2019-2020 2023-2024, and each school year thereafter, the BASE aid shall be the BASE aid amount for the immediately preceding school year plus an amount equal to the average percentage increase in the consumer price index for all urban consumers in the midwest region as published by the bureau of labor statistics of the United States department of labor during the three immediately preceding school years rounded to the nearest whole dollar amount.

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

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

(h) "Budget per student" 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: Adult education fund; adult supplementary education fund; at-risk education fund; bilingual education fund; career and postsecondary education fund; driver training fund; educational excellence grant program fund; extraordinary school program fund; food service fund; parent education program fund; preschool-aged at-risk education fund; professional development fund; special education fund; and summer program fund.

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

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

(l) "Declining enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5160, and amendments thereto, on the basis of costs attributable to the declining enrollment of such school districts.

(m) "Enrollment" means:

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

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

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

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

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

(A) The enrollment determined under subsection (m) paragraph
(2); or

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

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

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

(iii) the enrollment in the third preceding school year minus the
enrollment in such school year of preschool-aged at-risk students, if
any.

(4)(A) For school year 2017-2018, the enrollment determined under
paragraph (1), (2) or (3), except if the school district offers kindergarten on
a full-time basis in such school year, students regularly enrolled in
kindergarten in the school district in the preceding school year shall be
counted as one student regardless of actual attendance during such
preceding school year.

(B) For school year 2018-2019 and each school year thereafter, The
enrollment determined under paragraph (1), (2) or (3), except if the
school district begins to offer kindergarten on a full-time basis in such
school year, students regularly enrolled in kindergarten in the school
district in the preceding school year shall be counted as one student
regardless of actual attendance during such preceding school year.

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

"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 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.

"General fund" means the fund of a school district from which operating expenses are paid and in which is deposited all amounts of state foundation aid provided under this act, payments under K.S.A. 2017 Supp. 72-528, 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.

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

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

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

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

"Local foundation aid" means the sum of the following amounts:

1. The amount of the proceeds from the tax levied under the authority of K.S.A. 2017 Supp. 72-5147, and amendments thereto, that is levied to finance that portion of the school district's local option budget that is required pursuant to K.S.A. 2017 Supp. 72-5143(a), and amendments thereto, and not financed from any other source provided by law;

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

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

(2)(4) 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;

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

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

(5)(7) an amount equal to the amount credited to the general fund in the current school year from moneys 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;

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

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

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

(u) "Low enrollment weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5149(a), and amendments thereto, on the basis of costs attributable to maintenance of educational programs by such school districts.

(v) "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 K.S.A. 2017 Supp. 72-5168, and amendments thereto.
"Preceding school year" means the school year immediately before the current school year.

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

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

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

"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. 2017 Supp. 72-3115, and amendments thereto.

"School facilities weighting" means an added component assigned to the enrollment of school districts pursuant to K.S.A. 2017 Supp. 72-5156, and amendments thereto, on the basis of costs attributable to commencing operation of one or more new school facilities by such school districts.

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

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

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

"State board" means the state board of education.

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

"Student" means any person who is regularly enrolled in a school district and attending kindergarten or any of the grades one through 12 maintained by the school district or who is regularly
enrolled in a school district and attending kindergarten or any of the
grades one through 12 in another school district in accordance with an
agreement entered into under authority of K.S.A. 2017 Supp. 72-
13,101, 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) Except as otherwise provided in this subsection, the
    following shall be counted as one student:
        (i) A student in attendance full-time; and
        (ii) a student enrolled in a school district and attending special
             education and related services, provided for by the school district.
    (B) The following shall be counted as 1/2 student:
        (i) A student enrolled in a school district and attending special
            education and related services for preschool-aged exceptional children
            provided for by the school district; and
        (ii) a preschool-aged at-risk student enrolled in a school district
            and receiving services under an approved at-risk student assistance
            plan maintained by the school district.
    (C) A student in attendance part-time shall be counted as that
        proportion of one student (to the nearest 1/10) that the student's
        attendance bears to full-time attendance.
    (D) A student enrolled in and attending an institution of
        postsecondary education that is authorized under the laws of this state
        to award academic degrees shall be counted as one student if the
        student's postsecondary education enrollment and attendance together
        with the student's attendance in either of the grades 11 or 12 is at least
        5/6 time, otherwise the student shall be counted as that proportion of
        one student (to the nearest 1/10) that the total time of the student's
        postsecondary education attendance and attendance in grades 11 or
        12, as applicable, bears to full-time attendance.
    (E) A student enrolled in and attending a technical college, a
        career technical education program of a community college or other
        approved career technical education program shall be counted as one
        student, if the student's career technical education attendance together
        with the student's attendance in any of grades nine through 12 is at
        least 5/6 time, otherwise the student shall be counted as that proportion
        of one student (to the nearest 1/10) that the total time of the student's
        career technical education attendance and attendance in any of grades
        nine through 12 bears to full-time attendance.
    (F) A student enrolled in a school district and attending a non-
        virtual school and also attending a virtual school shall be counted as
        that proportion of one student (to the nearest 1/10) that the student's
        attendance at the non-virtual school bears to full-time attendance.
(G) A student enrolled in a school district and attending special education and related services provided for by the school district and also attending a virtual school shall be counted as that proportion of one student (to the nearest $\frac{1}{10}$) that the student's attendance at the non-virtual school bears to full-time attendance.

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

(a) For school years 2017-2018 and 2018-2019, one student;

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

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

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

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

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

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

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

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

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

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

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

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

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

Sec. 3. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5133 is hereby amended to read as follows: 72-5133. (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. 2017 Supp. 72-6463 through 72-6481, prior to their expiration July 1, 2017; and (2) all amounts transferred to such fund under K.S.A. 2017 Supp. 72-5136, 72-5142, 72-5143, 72-5158, 72-5159 and 72-5160, 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 state foundation aid provided for under this act.

Sec. 4. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5143 is hereby amended to read as follows: 72-5143. (a) In each school year, the board of education of a school district--may adopt, by resolution, a local option budget that does not exceed the state prescribed percentage equal to 15% of the school district's total foundation aid.

(b) Subject to the limitations of subsection (a), in each school year, If the board of education of a school district desires local option budget authority above the amount required under subsection (a), the board may adopt, by resolution, a local option budget in an amount that does not exceed:

(1) The amount that the board was authorized to adopt under any resolution adopted pursuant to K.S.A. 2017 Supp. 72-6471, prior to its expiration; or

(2) the state-wide average for the preceding school year as determined by the state board pursuant to subsection (i) 27.5% of the school district's total foundation aid. The adoption of a resolution pursuant to this section shall require a majority vote of the members of the board. Such resolution shall be effective upon adoption and shall require no other procedure, authorization or approval.

(c) If the board of a school district desires to increase its local option budget authority above the amount authorized under subsection (b), the board may adopt, by resolution, such budget in an amount not to exceed the state prescribed percentage. The adoption of a resolution pursuant to this subsection shall require a majority vote of the members of the board. The resolution shall be published at least once in a newspaper having general circulation in the school district. The resolution shall be published in substantial compliance with the following form:
Unified School District No. _______,  
____________ County, Kansas.

RESOLUTION

Be It Resolved that:

The board of education of the above-named school district shall be authorized to adopt a local option budget in each school year in an amount not to exceed ____% of the amount of total foundation 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% 10% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 30 40 days after publication of this resolution. If a petition is filed, the county election officer shall submit the question of whether adoption of the local option budget shall be authorized to the electors of the school district at an election called for the purpose or at the next general election, as is specified by the board of education of the school district.

CERTIFICATE

This is to certify that the above resolution was duly adopted by the board of education of unified school district No._____,  
_______County, Kansas, on the _____ day of ______, _____.

____________________________  
Clerk of the board of education.

All of the blanks in the resolution shall be filled appropriately. If a sufficient petition is not filed, the board may adopt a local option budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of a local option budget shall be authorized. Any such election shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board within the nine months following publication of the resolution.

(d) Unless specifically stated otherwise in the resolution, the authority to adopt a local option budget shall be continuous and permanent. The board of any school district that is authorized to adopt a local option budget may choose not to adopt such a budget or may adopt a budget in an amount less than the amount authorized. If the board of any school district whose authority to adopt a local option budget is not continuous and permanent refrains from adopting a local option budget, the authority of such school district to adopt a local option budget shall not be extended by such refrainment beyond the period specified in the
(e) The board of any school district may initiate procedures to renew or increase the authority to adopt a local option budget at any time during a school year after the tax levied pursuant to K.S.A. 2017 Supp. 72-5147, and amendments thereto, is certified to the county clerk under any existing authorization.

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

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

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

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

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

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

(3) Subject to the limitations imposed under subsection (h)(3) paragraph (4), 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 categorical fund of the school district. Amounts in the supplemental general fund attributable to any percentage over 25% of total foundation 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)(4) 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. 2017 Supp. 72-1149, and amendments thereto.

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

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

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

(j) The provisions of this section shall be subject to the provisions

(k) As used in this section:
(1) "Authorized to adopt a local option budget" means that a
school district has adopted a resolution pursuant to subsection (c).
(2) "State prescribed percentage" means 33% 30.5% of the total
foundation aid of the school district in the current school year.
(3) For purposes of determining the school district's local option
budget under subsections (a), (b) and (c), "total foundation aid"
means the same as such term is defined in K.S.A. 2017 Supp. 72-5132,
and amendments thereto, except the state aid for special education
and related services shall be divided by an amount equal to 85% of the
BASE aid amount, and the resulting quotient shall be used in
determining the school district's total foundation aid.

Sec. 5. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5145 is
hereby amended to read as follows: 72-5145. (a) In each school year,
each school district that has adopted a local option budget is eligible to
receive supplemental state aid. Except as provided by K.S.A. 2017
Supp. 72-5146, and amendments thereto, supplemental state aid shall
be determined by the state board as provided in subsection (b).

(b) The state board shall:
(1) (A) For school year 2017-2018, determine the amount of the
assessed valuation per student in the preceding school year of each school
district; and
(B) for school year 2018-2019 and each school year thereafter,
Determine the average assessed valuation per student of each school
district by adding the assessed valuation per student for each of the
three immediately preceding school years and dividing the resulting
sum by three;
(2) rank the school districts from low to high on the basis of the
amounts of assessed valuation per student determined under
subsection (b)(1);
(3) identify the amount of the assessed valuation per student
located at the 81.2 percentile of the amounts ranked under subsection (b)(2);
(4) divide the assessed valuation per student of the school district as determined under subsection (b)(1) by the amount identified under subsection (b)(3); and
(5) (A) if the quotient obtained under subsection (b)(4) equals or exceeds one, the school district shall not receive supplemental state aid; or
(B) if the quotient obtained under subsection (b)(4) is less than one, subtract the quotient obtained under subsection (b)(4) from one, and multiply the difference by the amount of the local option budget of the school district for the immediately preceding school year. The resulting product is the amount of supplemental state aid the school district is to receive for the school year.
(c) Payments of supplemental 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) For the purposes of determining the total amount of state moneys paid to school districts, all moneys appropriated as supplemental state aid shall be deemed to be state moneys for educational and support services for school districts.
Sec. 6. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5148 is hereby amended to read as follows: 72-5148. (a) (1) The transportation weighting of each school district shall be determined by the state board as follows:
(1) Determine the total expenditures of the school district during the preceding school year from all funds for transporting students of public and nonpublic schools on regular school routes;
(2) determine the sum of: (A) The number of students who were included in the enrollment of the school district in the preceding school year who resided less than \(2\frac{1}{2}\) miles by the usually traveled road from the school building such students attended and for whom transportation was made available by the school district; and (B) the number of nonresident students who were included in the enrollment of the school district for the preceding school year and for whom transportation was made available by the school district;
(3) determine the number of students who were included in the enrollment of the district in the preceding school year who resided \(2\frac{1}{2}\)
miles or more by the usually traveled road from the school building such
students attended and for whom transportation was made available by the
school district;
(4) multiply the number of students determined under subsection (a)
(3) by 2.8;
(5) divide the amount determined under subsection (a)(2) by the
product obtained under subsection (a)(4);
(6) add one to the quotient obtained under subsection (a)(5);
(7) multiply the sum obtained under subsection (a)(6) by the amount
determined under subsection (a)(3);
(8) divide the amount determined under subsection (a)(1) by the
product obtained under subsection (a)(7). The resulting quotient is the per-
student cost of transportation;
(9) on a density-cost graph, plot the per-student cost of transportation
for each school district;
(10) construct a curve of best fit for the points so plotted;
(11) locate the index of density for the school district on the base line
of the density-cost graph and from the point on the curve of best fit
directly above this point of index of density follow a line parallel to the
base line to the point of intersection with the vertical line, which point is
the formula per-student cost of transportation of the school district;
(12) divide the formula per-student cost of transportation of the
school district by the BASE aid; and
(13) multiply the quotient obtained under subsection (a)(12) by the
number of students 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 district.
(A) Divide the BASE aid amount for the current school year by the
BASE aid amount for school year 2018-2019;
(B) multiply the number of transported students by the per capita
allowance that corresponds to the density figure for the school district as
determined in subsection (a)(2);
(C) multiply the product obtained under subsection (a)(1)(B) by 1.00;
(D) multiply the product obtained under subsection (a)(1)(C) by the
quotient obtained under subsection (a)(1)(A);
(E) divide the product obtained under subsection (a)(1)(D) by the
current year BASE amount. The result is the transportation weighting of
the school district.
(2) The per capita allowance shall be determined using the following
chart:

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<th>Density Figure Range</th>
<th>Per Capita Allowance</th>
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<td>Range</td>
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(b) (1) For school years 2017-2018 through 2020-2021, the transportation weighting of the school district shall be either the product determined under subsection (a)(13) (a)(1)(E), or that portion of such school district's general state aid for school year 2016-2017 that was attributable to the school district's transportation weighting, whichever is greater.

(2) For school year 2021-2022, and each school year thereafter, the transportation weighting of the school district shall be the product determined under subsection (a)(13) (a)(1)(E).

(3) In no event shall the transportation weighting of the school district result in the portion of such school district's state foundation aid attributable to the transportation weighting being in excess of 110% of such school district's total expenditures from all funds for transporting students for the immediately preceding school year.

(c) For the purpose of providing accurate and reliable data on student transportation, the state board is authorized to adopt rules and regulations prescribing procedures that school districts shall follow in reporting pertinent information, including uniform reporting of expenditures for transportation.

(d) As used in this section:

(1) "Curve of best fit" means the curve on a density-cost graph drawn so the sum of the distances squared from such line to each of the points plotted on the graph is the least possible.

(2) "Density-cost graph" means a drawing having: (A) A horizontal or base line divided into equal intervals of density, beginning with zero on the left; and (B) a scale for per-student cost of transportation to be shown on a line perpendicular to the base line at the left end thereof, such scale to begin with zero dollars at the base line ascending by equal per-student cost intervals.

(3) "Index of density" means the number of students who are included in the enrollment of a school district in the current school year, are residing the designated distance or more by the usually traveled road from the school building they attend, and for whom transportation is being made available on regular school routes by the school district, divided by the number of square miles of territory in the school district "Density
"figure" means the area of the school district in square miles divided by the number of transported students.

(2) "Transported students" means the number of students who were included in the enrollment of the school district in the preceding year who resided 2½ miles or more by the usually traveled road from the school building such students attended and for whom transportation was made available.

Sec. 7. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5149 is hereby amended to read as follows: 72-5149. (a) The low enrollment weighting of each school district shall be determined by the state board as follows:

(1) For school districts with an enrollment of fewer than 100 students, multiply the enrollment of the school district by 1.014331. The resulting product is the low enrollment weighting of the school district;

(2) for school districts with an enrollment of at least 100 students, but fewer than 300 students:

(A) Subtract 100 from the enrollment of the school district;

(B) multiply the difference obtained under subsection (a)(2)(A) by 9.655;

(C) subtract the product obtained under subsection (a)(2)(B) from 7,337;

(D) divide the difference obtained under subsection (a)(2)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(2)(D); and

(F) multiply the difference obtained under subsection (a)(2)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district;

(3) for school districts with an enrollment of at least 300 students, but fewer than 1,622 students:

(A) Subtract 300 from the enrollment of the school district;

(B) multiply the difference obtained under subsection (a)(3)(A) by 1.2375;

(C) subtract the product obtained under subsection (a)(3)(B) from 5,406;

(D) divide the difference obtained under subsection (a)(3)(C) by 3,642.4;

(E) subtract one from the quotient obtained under subsection (a)(3)(D); and

(F) multiply the difference obtained under subsection (a)(3)(E) by the enrollment of the school district. The resulting product is the low enrollment weighting of the school district.
(b) For school districts with an enrollment of at least 1,622 students, multiply the enrollment of the school district by 0.03504. The resulting product is the high enrollment weighting of the school district.

Sec. 8. K.S.A. 2017 Supp. 72-5150 is hereby amended to read as follows: 72-5150. The bilingual weighting of each school district shall be determined by the state board as follows:

(a) Determine the full-time equivalent enrollment in approved programs of bilingual education during the preceding school year and multiply such enrollment by 0.395;

(b) determine the number of students enrolled in approved programs of bilingual education during the preceding school year and multiply such enrollment by 0.185; and

(c) the bilingual weighting shall be either the amount determined under subsection (a) or (b), whichever is greater.

Sec. 9. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5151 is hereby amended to read as follows: 72-5151. (a) The at-risk student weighting of each school district shall be determined by the state board as follows:

(1) Determine the number of at-risk students included in the enrollment of the school district; and

(2) for a school district with an enrollment that consists of 10% or more at-risk students, multiply the number determined under subsection (a)(1) by 0.484. The resulting sum is the at-risk student weighting of the school district; or

(3) for a school district with an enrollment that consists of less than 10% at-risk students, multiply the number of students equal to 10% of such school district's enrollment by 0.484. The resulting sum is the at-risk student weighting of the school district. A school district whose at-risk student weighting is determined pursuant to this paragraph shall submit a report to the state board in such form and manner as required by the state board that identifies those students enrolled in such school district who are receiving at-risk program services and the criteria each such student satisfies in order to receive at-risk program services. The state board shall adopt rules and regulations that establish the criteria for eligibility for at-risk program services. The provisions of this paragraph shall only apply to those school districts that offer instruction in kindergarten and grades one through twelve.

(b) Except as provided in subsection (b)(4), the high-density at-risk student weighting of each school district shall be determined by the state board as follows:

(1) (A) If the enrollment of the school district is at least 35% at-risk students, but less than 50% at-risk students:
(i) Subtract 35% from the percentage of at-risk students included in the enrollment of the school district;
(ii) multiply the difference determined under subsection (b)(1)(A)(i) by 0.7; and
(iii) multiply the product determined under subsection (b)(1)(A)(ii) by the number of at-risk students included in the enrollment of the school district; or
(B) if the enrollment of the school district is 50% or more at-risk students, multiply the number of at-risk students included in the enrollment of the school district by 0.105; or
(2) (A) if the enrollment of a school in the school district is at least 35% at-risk students, but less than 50% at-risk students:
(i) Subtract 35% from the percentage of at-risk students included in the enrollment of such school;
(ii) multiply the difference determined under subsection (b)(2)(A)(i) by 0.7; and
(iii) multiply the product determined under subsection (b)(2)(A)(ii) by the number of at-risk students included in the enrollment of such school; or
(B) if the enrollment of a school in the school district is 50% or more at-risk students, multiply the number of at-risk students included in the enrollment of such school by 0.105; and
(C) add the products determined under subsections (b)(2)(A)(iii) and (b)(2)(B) for each such school in the school district, respectively.
(3) The high-density at-risk weighting of the school district shall be the greater of the product determined under subsection (b)(1) or the sum determined under subsection (b)(2)(C).
(4) Commencing in school year 2018-2019, school districts that qualify to receive the high-density at-risk weighting pursuant to this section shall spend any money attributable to the school district's high-density at-risk weighting on the at-risk best practices developed by the state board pursuant to K.S.A. 2017 Supp. 72-5153(d), and amendments thereto. If a school district that qualifies for the high-density at-risk weighting does not spend such money on such best practices, the state board shall notify the school district that it shall either spend such money on such best practices or shall show improvement within five years of notification. Improvement shall include, but not be limited to, the following: (A) The percentage of students at grade level on state math and English language arts assessments; (B) the percentage of students that are college and career ready on state math and English language arts assessments; (C) the average composite ACT score; or (D) the four-year graduation rate. If a school district does not spend such money on such best practices and
does not show improvement within five years, the school district shall not qualify to receive the high-density at-risk weighting in the succeeding school year.

(5) The provisions of this subsection shall expire on July 1, 2019.

Sec. 10. K.S.A. 2017 Supp. 72-5155 is hereby amended to read as follows: 72-5155. (a) The career technical education weighting of each school district shall be determined by the state board by multiplying the full-time equivalent enrollment in approved career technical education programs during the preceding school year by 0.5. The resulting product is the career technical education weighting of the school district.

(b) The provisions of this section shall expire on July 1, 2019.

Sec. 11. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5170 is hereby amended to read as follows: 72-5170. (a) (1) In order to accomplish the mission for Kansas education, the state board shall design and adopt a school district accreditation system based upon improvement in performance that equals or exceeds the educational goal set forth in K.S.A. 2017 Supp. 72-3218(c), and amendments thereto, and is measurable. The state board shall hold all school districts accountable to the Kansans can outcomes, or any successor outcomes established by the state board, through the Kansas education systems accreditation rules and regulations, or any successor accreditation system adopted by the state board. The state board shall establish rigorous accountability measures in the areas of social emotional learning, kindergarten readiness, individual plans of study, graduation and postsecondary success. The state board also shall ensure that all school districts and the public schools operated by such districts have programs and initiatives in place for providing those educational capacities set forth in K.S.A. 2017 Supp. 72-3218(c), and amendments thereto. On or before January 15, 2018, and each January 15 thereafter, the state board shall prepare and submit a report on the school district accreditation system to the governor and the legislature.

(2) The accountability measures established pursuant to paragraph (1) shall be applied both at the district level and at the school level. Such accountability measures shall be reported by the state board for each school district and each school by publication on the internet website of the state department of education. Each school district also shall report such accountability measures for such school district and each school operated by such district by publication on such school district's internet website.

(3) If a school district is not fully accredited and a corrective action
plan is required by the state board, such corrective action plan, and any
subsequent reports prepared by the state board regarding the progress of
such school district in implementing and executing such corrective action
plan, shall be published on the state department of education's internet
website and such school district's internet website.

(4) If a school district is not accredited, the superintendent, or the
superintendent's designee, shall appear before the committee on education
of the house of representatives and the committee on education of the
senate during the regular legislative session that occurs during the same
school year in which such school district is not accredited. Such school
district shall provide a report to such committees on the challenges and
obstacles that are preventing such school district from becoming
accredited.

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

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

(d) Each school year, on such date as specified by the state board,
each school district shall submit the Kansas education system
accreditation report to the state board in such form and manner as
prescribed by the state board.

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

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

Sec. 12. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5171 is hereby amended to read as follows: 72-5171. (a) On or before January 15 of each year, the state department of education shall prepare and submit reports on school district funding for each school district to the governor and the legislature.

(b) Each report shall contain the information described in subsection (c) for the school district in terms of actual dollar amounts for the second and immediately preceding school years and budgeted dollar amounts for the current school year.

(c) Each report shall contain the following information for the school district:

(1) Full-time equivalent enrollment;
(2) demographic information, including, but not limited to, gender, race, ethnicity, students who are economically disadvantaged, migrants, English language learners and students with disabilities;
(3) total general and supplemental general funds, including a showing of funding provided by federal sources, state sources and local sources, and total funds per student;
(4) total capital outlay funds, including a showing of such funding provided by federal sources, state sources and local sources, and capital outlay funds per student;
(5) total bond and interest funds, including a showing of such funding provided by federal sources, state sources and local sources, and bond and interest funds per student;
(6) total of all other funds not described in paragraphs (3), (4)
and (5), excluding fund transfers, including a showing of such funding provided by federal sources, state sources and local sources, and total funds per student;

(7) total funds per student of all funds described in paragraphs (3) through (6);

(8) general fund moneys attributable to the following:

(A) BASE aid;

(B) high enrollment weighting;

(C) low enrollment weighting;

(D) school facilities weighting;

(E) transportation weighting;

(F) at-risk student weighting;

(G) preschool-aged at-risk student weighting;

(H) high-density at-risk student weighting;

(I) career technical education weighting;

(J) special education and related services weighting;

(K) bilingual weighting;

(L) ancillary school facilities weighting;

(M) cost-of-living weighting;

(N) declining enrollment weighting; and

(O) virtual school state aid;

(9) total expenditures on the following:

(A) At-risk education programs and services;

(B) preschool-aged at-risk education programs and services;

(C) bilingual education programs and services;

(D) career and technical education programs and services;

(E) special education and related services; and

(F) virtual school programs and services; and

(10) total expenditures from the special retirement contributions fund;

(11) expenditures and fund transfers from the supplemental general fund for those programs and services set forth in paragraph (9) and any other accounting category for which there is an expenditure or transfer from such fund; and

(12) general obligation bond indebtedness.

(d) The state board shall provide uniform guidelines for what constitutes total expenditures for the programs and services listed under subsection (c)(9).

Sec. 13. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5173 is hereby amended to read as follows: 72-5173. The legislative post audit committee shall direct the legislative division of post audit to conduct the following performance audits in the fiscal year specified:

(a) A performance audit of transportation services funding. The
audit should include a comparison of the amount of transportation services funding school districts receive to the cost of providing transportation services. This performance audit shall be conducted during fiscal year 2018, and the final audit report shall be submitted to the legislature on or before January 15, 2018.

(b) A performance audit of at-risk education funding. The audit should evaluate the method of counting students for at-risk education funding, the level of the at-risk student weighting and high-density at-risk student weighting under the act and how school districts are expending moneys provided for at-risk education. This performance audit shall be conducted during fiscal year 2020, and the final audit report shall be submitted to the legislature on or before January 15, 2020.

c) A performance audit of bilingual education funding. The audit should evaluate the method of counting students for bilingual education funding, the level of the bilingual weighting under the act and how school districts are expending moneys provided for bilingual education. This performance audit shall be conducted during fiscal year 2023, and the final audit report shall be submitted to the legislature on or before January 15, 2023.

d) A study of statewide virtual school programs administered in other states. The study shall include, but not be limited to, the following:

(1) The aggregate cost incurred by each state administering a virtual school program, and the cost incurred by individual school districts or schools within each state;

(2) the resources necessary for the implementation of each virtual school program, including, but not limited to, personnel, equipment, software and facility usage;

(3) the scope of each virtual school program; and

(4) the effectiveness of each virtual school program with respect to student performance and outcomes.

The audit shall be conducted during fiscal year 2024, and the final audit report shall be submitted to the legislature on or before January 15, 2024.

e) (1) A performance audit to provide a reasonable estimate of the cost of providing educational opportunities for every public school student in Kansas to achieve the performance outcome standards adopted by the state board of education. This performance audit shall be conducted three times as follows:

(A) During fiscal year 2019, and the final report submitted to the legislature on or before January 15, 2019;

(B) during fiscal year 2022, and the final report submitted to
the legislature on or before January 15, 2022; and
(B) during fiscal year—2024, and the final report submitted to the legislature on or before January 15, 2025.

(2) Each performance audit required under this subsection shall:
(A) Include reasonable estimates of the costs of providing specialized education services as required by law, including, but not limited to, special education and related services, bilingual education and at-risk programs; and
(B) account for other factors which may contribute to variations in costs incurred by school districts, including, but not limited to, total district enrollment and geographic location within the state.

(3) In conducting each performance audit required under this subsection:
(A) Any examination of historical data and expenditures shall correct any recognized inadequacy of such data or expenditure through a statistically valid method of extrapolation; and
(B) subject to the limitations of the division of legislative post audit budget and appropriations therefor, the legislative post auditor may enter into contracts with consultants as the post auditor deems necessary.

(f) A performance audit to identify best practices in successful schools. The audit should include a comparison of the educational methods and other practices of demographically similar school districts that achieve significantly different student outcomes based on performance outcome standards adopted by the state board of education. This performance audit shall be conducted during fiscal year 2021, and the final audit report shall be submitted to the legislature on or before January 15, 2021. The audit shall be conducted a second time during fiscal year 2026, and the final audit report shall be submitted to the legislature on or before January 15, 2026 provide a reasonable estimate of the costs of providing special education and related services, including, but not limited to, other factors which may contribute to variations in costs incurred by school districts. This performance audit shall be conducted during fiscal year 2019, and the final audit report shall be submitted to the legislature on or before January 15, 2019.

Sec. 14. On and after July 1, 2018, K.S.A. 2017 Supp. 72-53,113 is hereby amended to read as follows: 72-53,113. (a) The board of education of any school district may make an annual tax levy at a mill rate not to exceed the statutorily prescribed mill rate upon the taxable tangible property in the school district for the purposes specified in this act and, with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the principal and
interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. No levy shall be made under this act until a resolution is adopted by the board of education in the following form:

Unified School District No. _____, ______________ County, Kansas.

RESOLUTION

Be It Resolved that:

The above-named school board shall be authorized to make an annual tax levy in an amount not to exceed _____ mills upon the taxable tangible property in the school district for the purpose of acquisition, construction, reconstruction, repair, remodeling, additions to, furnishing, maintaining and equipping of school district property and equipment necessary for school district purposes, including: (1) Computer software; (2) performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board; (4) architectural expenses; (5) building sites; (6) undertaking and maintenance of asbestos control projects; (7) school buses; and (8) utility expenses; (9) property and casualty insurance; and (10) other fixed assets, and with respect to any redevelopment district established prior to July 1, 2017, pursuant to K.S.A. 12-1771, and amendments thereto, for the purpose of paying a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto, for the financing of redevelopment projects upon property located within the school district. The tax levy authorized by this resolution may be made, unless a petition in opposition to the same, signed by not less than 10% of the qualified electors of the school district, is filed with the county election officer of the home county of the school district within 40 calendar days after the last publication of this resolution. In the event a petition is filed, the county election officer shall submit the question of whether the tax levy shall be authorized to the electors in the school district at an election called for that purpose or at the next general election, as is specified by the board of education of the above school district.

CERTIFICATE

This is to certify that the above resolution was duly adopted by the board of education of Unified School District No. _____, ______________ County, Kansas, on the ___ day of _________, ____.

_____________________________

Clerk of the board of education.

All of the blanks in the above resolution shall be appropriately
filled. The blank preceding the word "mills" shall be filled with a specific number. The resolution shall be published once a week for two consecutive weeks in a newspaper having general circulation in the school district. If no petition as specified above is filed in accordance with the provisions of the resolution, the board of education may make the tax levy specified in the resolution. If a petition is filed as provided in the resolution, the board of education may notify the county election officer of the date of an election to be held to submit the question of whether the tax levy shall be authorized. If the board of education fails to notify the county election officer within 60 calendar days after a petition is filed, the resolution shall be deemed abandoned and no like resolution shall be adopted by the board of education within the nine months following the first publication of the resolution.

(b) As used in this act:

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

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

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

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

(5) "asbestos-containing material" means any material or product which contains more than 1% asbestos.
Sec. 15. On and after July 1, 2018, K.S.A. 2017 Supp. 72-53,116 is hereby amended to read as follows: 72-53,116. (a) Any moneys in the capital outlay fund of any school district and any moneys received from issuance of bonds under K.S.A. 2017 Supp. 72-53,117 or 72-53,122, 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) Computer software; (2) performance uniforms; (3) housing and boarding pupils enrolled in an area vocational school operated under the board of education; (4) architectural expenses; (5) building sites; (6) undertaking and maintenance of asbestos control projects; (7) school buses; and (8) utility expenses; (9) property and casualty insurance; and (10) other fixed assets.

(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. 16. On and after July 1, 2018, K.S.A. 2017 Supp. 72-5461 is hereby amended to read as follows: 72-5461. (a) Upon receiving an application under K.S.A. 2017 Supp. 72-5460, and amendments thereto, the state board of education shall review the application and examine the evidence furnished in support of the application.

(b) (1) Commencing in school year 2017-2018, the state board of education shall not approve any application submitted during the current school year if such approval would result in the aggregate amount of all general obligation bonds approved by the state board for such school year exceeding the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year adjusted for inflation pursuant to paragraph (4). For any application submitted during the current school year in excess of $175,000,000, the state board shall apply only an amount of $175,000,000 of such application when determining whether the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year has been exceeded. In determining whether to approve an application, the state board shall prioritize applications 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; and

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

(2) The state board shall not consider a school district's eligibility for capital improvement state aid, or the amount of capital improvement state aid a school district would be eligible to receive, in determining whether to approve such district's application.

(3) The provisions of subsection (b)(1) shall not apply to school districts that have not issued any general obligation bonds in the 25 years prior to the current school year.

(4) The state board shall adjust the aggregate principal amount of all general obligation bonds retired in the immediately preceding school year by adding an amount equal to the five-year compounded percentage increase in the producer price index industry data for new school building construction as published by the bureau of labor statistics of the United States department of labor for the five immediately preceding school years.

(c) After reviewing the application and examining the supportive evidence, the state board of education shall issue an order either granting or denying the application. If the application is approved, the applicant board of education shall request the county election officer to hold an election to vote upon the question of issuing the increased amount of bonds in the manner provided by law.

(d) Any application that is denied pursuant to subsection (b) may be tentatively approved by the state board of education for the immediately succeeding school year. The amount of general obligation bonds approved in any such application shall be counted first towards the aggregate amount of all general obligation bonds approved by the state board for such school year.

(e) Commencing in school year 2017-2018, the state board of education shall determine the aggregate principal amount of general obligation bonds retired in the immediately preceding school year.
(f) The provisions of subsections (b), (d) and (e) shall expire on June 30, 2022.

Sec. 17. K.S.A. 2017 Supp. 72-5150 and 72-5155 are hereby repealed.


Sec. 19. This act shall take effect and be in force from and after its publication in the statute book [Kansas register].