

STATE OF KANSAS

HOUSE OF REPRESENTATIVES

MR. CHAIRMAN:

I move to amend **House Substitute for Substitute for SB 267**, on page 133, following line 22, by inserting:

"Sec. 70.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2022, the following:

Education superhighway (652-00-1000-0180).....	\$178,986
State foundation aid (652-00-1000-0820).....	\$102,754,459
Supplemental state aid (652-00-1000-0840).....	\$48,481,398

(b) On the effective date of this act, of the \$14,109,493 appropriated for the above agency for the fiscal year ending June 30, 2022, by section 2(a) of chapter 114 of the 2021 Session Laws of Kansas from the state general fund in the operating expenditures (including official hospitality) account (652-00-1000-0053), the sum of \$25,749 is hereby lapsed.

(c) On the effective date of this act, of the \$41,853,675 appropriated for the above agency for the fiscal year ending June 30, 2022, by section 2(a) of chapter 114 of the 2021 Session Laws of Kansas from the state general fund in the KPERS – school employer contributions – non-USDs account (652-00-1000-0100), the sum of \$7,789,076 is hereby lapsed.

(d) On the effective date of this act, of the \$537,971,506 appropriated for the above agency for the fiscal year ending June 30, 2022, by section 2(a) of chapter 114 of the 2021 Session Laws of Kansas from the state general fund in the KPERS – school employer

contributions – USDs account (652-00-1000-0110), the sum of \$35,135,965 is hereby lapsed.

(e) On the effective date of this act, of the \$2,524,235,833 appropriated for the above agency for the fiscal year ending June 30, 2023, by section 3(a) of chapter 114 of the 2021 Session Laws of Kansas from the state general fund in the state foundation aid account (652-00-1000-0820), the sum of \$66,430,787 is hereby lapsed.

Sec. 71.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2023, the following:

Operating expenditures (including official hospitality) (652-00-1000-0053).....\$14,200,772

Provided, That any unencumbered balance in the operating expenditures (including official hospitality) account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023: *Provided further*, That the above agency shall expend moneys in such account to fix, charge and collect fees from each unified school district based on the full-time equivalent enrollment of each school district to fund the dyslexia coordinator position in the above agency: *And provided further*, That all fees received for such program shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the state general fund: *And provided further*, That the aggregate total of such fees for the fiscal year ending June 30, 2023, for such position shall not exceed \$100,000.

Supplemental state aid (652-00-1000-0840).....\$15,810,000

Center for READIng (652-00-1000-0080).....\$80,000

Provided, That the above agency shall expend moneys in such account to provide a project manager grant to the center for reading at Pittsburg state university to: (1) Assist in the development and support of a science of reading curricula for the state educational institutions and colleges based on the knowledge and practice standards that have been adopted by the state department of education; (2) develop and support a recommended dyslexia textbook list for in-class learning for school districts to use; (3) develop and support a recommended dyslexia resources list for in-class learning for school districts to use; (4) provide knowledge and support for a train the trainer program and professional development curriculum for school districts to use; and (5) provide knowledge and support for developing a list of qualified trainers for school districts to hire.

KPERS-school employer

contributions-non-USDs (652-00-1000-0100).....\$37,714,422

Provided, That any unencumbered balance in the KPERS-school employer contributions-non-USDs account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023.

KPERS-school employer
contributions-USDs (652-00-1000-0110).....\$520,780,609

Provided, That any unencumbered balance in the KPERS-school employer contributions-USDs account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023.

ACT and workkeys assessments
program (652-00-1000-0140).....\$2,800,000

Mental health intervention
team pilot (652-00-1000-0150).....\$10,534,722

Provided, That any unencumbered balance in the mental health intervention team pilot account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023: *Provided further*; That expenditures shall be made by the above agency from the mental health intervention team pilot account during fiscal year 2023 for mental health intervention team school liaisons employed by those school districts participating in the mental health intervention team pilot program: *And provided further*; That the salaries and wages for school liaisons shall be matched by participating school districts on a \$3 of state moneys for \$1 of school district moneys basis: *And provided further*; That each school district that participated in the mental health intervention team pilot program during fiscal year 2022 shall continue to receive an amount of moneys not less than the amount from such account or fund such school district received in fiscal year 2022 so long as the school district maintains a substantially similar program participation level in fiscal year 2023: *And provided further*; That the remaining unencumbered moneys in the mental health intervention team pilot account shall be used to expand the program to school districts that have not previously participated in the program and to contract with a third-party entity to conduct a study of the effectiveness of the program and suggest improvements to the program: *And provided further*; That, if such remaining moneys are not fully expended on new school district programs and the third-party study, the above agency shall expend such moneys on school districts that seek to expand existing programs: *And provided further*; That the department of education shall provide a report on or before January 1, 2023, to the director of the budget and the director of legislative research that includes performance measures, developed in consultation with the Kansas department for aging and disability services, that illustrate the effectiveness of the mental health intervention team pilot program.

Juvenile transitional crisis
center pilot (652-00-1000-0210).....\$300,000

Education commission of
the states (652-00-1000-0220).....\$67,700

School safety hotline (652-00-1000-0230).....\$10,000

School district juvenile detention facilities and Flint Hills job corps center grants (652-00-1000-0290).....\$5,060,528

Provided, That any unencumbered balance in the school district juvenile detention facilities and Flint Hills job corps center grants account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023: *Provided further*, That expenditures shall be made from the school district juvenile detention facilities and Flint Hills job corps center grants account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-1173, and amendments thereto.

School food assistance (652-00-1000-0320).....\$2,510,486

Mentor teacher (652-00-1000-0440).....\$1,300,000

Educable deaf-blind and severely handicapped children's programs aid (652-00-1000-0630).....\$110,000

Special education services aid (652-00-1000-0700).....\$520,380,818

Provided, That any unencumbered balance in the special education services aid account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023: *Provided further*, That expenditures shall not be made from the special education services aid account for the provision of instruction for any homebound or hospitalized child, unless the categorization of such child as exceptional is conjoined with the categorization of the child within one or more of the other categories of exceptionality: *And provided further*, That expenditures shall be made from this account for grants to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-3425, and amendments thereto: *And provided further*, That expenditures shall be made from the amount remaining in this account, after deduction of the expenditures specified in the foregoing provisos, for payments to school districts in amounts determined pursuant to and in accordance with the provisions of K.S.A. 72-3422, and amendments thereto.

Governor's teaching excellence scholarships and awards (652-00-1000-0770).....\$360,693

Professional development state aid (652-00-1000-0860).....\$1,770,000

School safety and security grants.....\$5,000,000

Provided, That expenditures shall be made from the school safety and security grants account for fiscal year 2023 for disbursements of grant moneys approved by the state board of education for the: Acquisition and installation of security cameras and any other systems, equipment and

services necessary for security monitoring of facilities operated by a school district and for securing doors, windows and any entrances to such facilities; and salaries and wages, and associated fringe benefits, for newly created positions of school resource officers and the costs associated with any newly created school resource officers provided by the city or county of such school district: *Provided further*, That all moneys expended for school safety and security grants for fiscal year 2022 shall be matched by the receiving school district on a \$1-for-\$1 basis from other moneys of the district that may be used for such purpose.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2023, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law and transfers to other state agencies shall not exceed the following:

School district capital outlay state aid fund.....No limit

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

Provided, That expenditures shall be made by the above agency for the fiscal year ending June 30, 2023, from the educational technology coordinator fund of the department of education to provide data on the number of school districts served and cost savings for those districts in fiscal year 2023 in order to assess the cost effectiveness of the position of educational technology coordinator.

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

Inservice education workshop fee fund (652-00-2230).....No limit

Provided, That expenditures may be made from the inservice education workshop fee fund for operating expenditures, including official hospitality, incurred for inservice workshops and conferences: *Provided further*, That the state board of education is hereby authorized to fix, charge and collect fees for inservice workshops and conferences: *And provided further*, That such fees shall be fixed in order to recover all or part of such operating expenditures incurred for inservice workshops and conferences: *And provided further*, That all fees received for inservice workshops and conferences shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the inservice education workshop fee fund.

Federal indirect cost reimbursement fund (652-00-2312).....No limit

Conversion of materials and

equipment fund (652-00-2420).....No limit

School bus safety fund (652-00-2532).....No limit

State safety fund (652-00-2538).....No limit

Provided, That notwithstanding the provisions of K.S.A. 8-272, and amendments thereto, or any other statute, funds shall be distributed during fiscal year 2023 as soon as moneys are available.

Motorcycle safety fund (652-00-2633).....No limit

Teacher and administrator
fee fund (652-00-2723).....No limit

Service clearing fund (652-00-2869).....No limit

School district capital
improvements fund (652-00-2880).....No limit

Provided, That expenditures from the school district capital improvements fund shall be made only for the payment of general obligation bonds approved by voters under the authority of K.S.A. 72-5457, and amendments thereto.

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

ESSA – student support academic enrichment –
federal fund (652-00-3113).....No limit

Educationally deprived
children – state operations –
federal fund (652-00-3131).....No limit

Food assistance –
federal fund (652-00-3230).....No limit

Elementary and secondary school aid –
federal fund (652-00-3233).....No limit

Education of handicapped children
fund – federal (652-00-3234).....No limit

Community-based
child abuse prevention –
federal fund (652-00-3319).....No limit

TANF children's programs –

federal fund (652-00-3323).....	No limit
21 st century community learning centers – federal fund (652-00-3519).....	No limit
State assessments – federal fund (652-00-3520).....	No limit
Rural and low-income schools program – federal fund (652-00-3521).....	No limit
Language assistance state grants – federal fund (652-00-3522).....	No limit
State grants for improving teacher quality – federal fund (652-00-3526).....	No limit
State grants for improving teacher quality – federal fund – state operations (652-00-3527).....	No limit
Food assistance – school breakfast program – federal fund (652-00-3529).....	No limit
Food assistance – national school lunch program – federal fund (652-00-3530).....	No limit
Food assistance – child and adult care food program – federal fund (652-00-3531).....	No limit
Elementary and secondary school aid – federal fund – local education agency fund (652-00-3532).....	No limit
Education of handicapped children fund – state operations – federal fund (652-00-3534).....	No limit
Education of handicapped children fund – preschool – federal fund (652-00-3535).....	No limit
Education of handicapped children fund – preschool state	

operations – federal (652-00-3536).....	No limit
Elementary and secondary school aid – federal fund – migrant education fund (652-00-3537).....	No limit
Elementary and secondary school aid – federal fund – migrant education – state operations (652-00-3538).....	No limit
Vocational education title II – federal fund (652-00-3539).....	No limit
Vocational education title II – federal fund – state operations (652-00-3540).....	No limit
Educational research grants and projects fund (652-00-3592).....	No limit
Local school district contribution program checkoff fund (652-00-7005).....	No limit

Provided, That notwithstanding the provisions of K.S.A. 79-3221n, and amendments thereto, or any other statute, during the fiscal year ending June 30, 2023, any moneys in such fund where a taxpayer fails to designate a unified school district on such taxpayer's individual income tax return may be expended by the above agency to distribute to unified school districts.

Governor's teaching excellence scholarships program repayment fund (652-00-7221).....	No limit
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Provided, That all expenditures from the governor's teaching excellence scholarships program repayment fund shall be made in accordance with K.S.A. 72-2166, and amendments thereto: *Provided further*, That each such grant shall be required to be matched on a \$1-for-\$1 basis from nonstate sources: *And provided further*, That award of each such grant shall be conditioned upon the recipient entering into an agreement requiring the grant to be repaid if the recipient fails to complete the course of training under the national board for professional teaching standards certification program: *And provided further*, That all moneys received by the department of education for repayment of grants made under the governor's teaching excellence scholarships program shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the governor's teaching excellence scholarships program repayment fund.

Private donations, gifts, grants and bequests fund (652-00-7307).....	No limit
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Family and children

investment fund (652-00-7375).....	No limit
State school district finance fund (652-00-7393).....	No limit
Mineral production education fund (652-00-7669-7669).....	No limit

(c) There is appropriated for the above agency from the children's initiatives fund for the fiscal year ending June 30, 2023, the following:

Children's cabinet accountability fund (652-00-2000-2402).....	\$375,000
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Provided, That any unencumbered balance in the children's cabinet accountability fund account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023.

CIF grants (652-00-2000-2408).....	\$20,729,848
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Provided, That any unencumbered balance in the CIF grants account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023.

Parent education program (652-00-2000-2510).....	\$8,437,635
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Provided, That any unencumbered balance in the parent education program account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023: *Provided further*, 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.

Pre-K pilot (652-00-2000-2535).....	\$4,200,000
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Early childhood infrastructure.....	\$1,400,773
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Imagination library.....	\$500,000
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(d) On July 1, 2022, or as soon thereafter as moneys are available, notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$50,000 from the family and children trust account of the family and children investment fund (652-00-7375-7900) of the department of education to the communities in schools program fund (652-00-2221-2400) of the department of education.

(e) On March 30, 2023, and June 30, 2023, or as soon thereafter as moneys are

available, notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments thereto, or any other statute, the director of accounts and reports shall transfer \$550,000 from the state safety fund (652-00-2538-2030) to the state general fund: *Provided*, That the transfer of such amount shall be in addition to any other transfer from the state safety fund to the state general fund as prescribed by law: *Provided further*, That the amount transferred from the state safety fund to the state general fund pursuant to this subsection is to reimburse the state general fund for accounting, auditing, budgeting, legal, payroll, personnel and purchasing services and any other governmental services that are performed on behalf of the department of education by other state agencies that receive appropriations from the state general fund to provide such services.

(f) On July 1, 2022, and quarterly thereafter, the director of accounts and reports shall transfer \$73,750 from the state highway fund (276-00-4100-4100) of the department of transportation to the school bus safety fund (652-00-2532-2300) of the department of education.

(g) On July 1, 2022, the director of accounts and reports shall transfer an amount certified by the commissioner of education from the motorcycle safety fund (652-00-2633-2050) of the department of education to the motorcycle safety fund (561-00-2366-2360) of the state board of regents: *Provided*, That the amount to be transferred shall be determined by the commissioner of education based on the amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and amendments thereto.

(h) On July 1, 2022, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$70,000 from the USAC E-rate program federal fund (561-00-3920-3920) of the state board of regents to the education technology coordinator fund (652-00-2157-2157) of the department of education.

(i) There is appropriated for the above agency from the Kansas endowment for youth fund for the fiscal year ending June 30, 2023, the following:

Children's cabinet administration (652-00-7000-7001).....\$260,535

Provided, That any unencumbered balance in the children's cabinet administration account in excess of \$100 as of June 30, 2022, is hereby reappropriated for fiscal year 2023.

(j) During the fiscal year ending June 30, 2023, the commissioner of education, with the approval of the director of the budget, may transfer any part of any item of appropriation for fiscal year 2023 from the state general fund for the department of education to another item of appropriation for fiscal year 2023 from the state general fund for the department of education. The commissioner of education shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the director of legislative research.

(k) There is appropriated for the above agency from the expanded lottery act revenues fund for the fiscal year ending June 30, 2023, the following:

KPERS – school employer
contribution (652-00-1700-1700).....\$41,389,547

Provided, That during the fiscal year ending June 30, 2023, the amount appropriated from the expanded lottery act revenues fund in the KPERS – school employer contribution account (652-00-1700-1700) for the department of education shall be for the purpose of reducing the unfunded actuarial liability of the Kansas public employees retirement system attributable to the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, in accordance with K.S.A. 74-8768, and amendments thereto.

(l) During the fiscal year ending June 30, 2023, in addition to the other purposes for which expenditures may be made by the above agency from the state general fund or from any special revenue fund or funds for fiscal year 2023 as authorized by section 3 of chapter 114 of the 2021 Session Laws of Kansas, this or other appropriation act of the 2022 regular session of the legislature, expenditures shall be made by the above agency from the state general fund or from any special revenue fund or funds for fiscal year 2023 for communities in schools in an amount not less than \$100,000.

(m) In addition to the other purposes for which expenditures may be made by the above

agency from the moneys appropriated from the state general fund or from any special revenue fund or funds for fiscal year 2023, expenditures shall be made by the above agency from such moneys to implement a fee-for-service model to fund the implementation of the Math Nation program: *Provided*, That such program shall be used by unified school districts that had 50% or more of the district's students enrolled in grade 7 through grade 12 score below proficient, at level 1 or level 2, on the statewide math assessment in the preceding school year and to provide professional development for such program: *Provided further*, That the above agency is hereby authorized to and shall fix, charge and collect fees from the unified school districts that are required to use Math Nation to fund the operations of the program based on the full-time equivalent enrollment of students enrolled in grade 7 through grade 12 in each such school district: *And provided further*, That all fees received for such program shall be deposited in the state treasury in accordance with the provisions of K.S.A. 75-4215, and amendments thereto, and shall be credited to the appropriate fund designated by the above agency: *And provided further*, That such fees shall be paid by the district from moneys of the district that may be used for such purpose: *And provided further*, That any other unified school district may use Math Nation: *And provided further*, That participating districts shall track and report to the above agency twice during school year 2022-2023 as determined by the above agency on the number of attendance centers and students using Math Nation, number of teachers participating in the professional development provided by such program and the effect of the program on student academic proficiency: *And provided further*: That the above agency shall compile such reports and shall submit a summary report to the house of representative committee on K-12 education budget and the senate committee on education: *And provided further*, That such report shall also include a list of the school districts and attendance centers that are using Math Nation and a comparison between low-usage and high-usage school districts and attendance centers: *And provided further*,

That expenditures for the fiscal year ending June 30, 2023, for such program shall not exceed \$4,000,000.

Sec. 72.

DEPARTMENT OF EDUCATION

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2024, the following:

State foundation aid (652-00-1000-0820).....\$2,558,881,605

Provided, That any unencumbered balance in the state foundation aid account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.

Supplemental state aid (652-00-1000-0840).....\$568,150,000

Provided, That any unencumbered balance in the supplemental state aid account in excess of \$100 as of June 30, 2023, is hereby reappropriated for fiscal year 2024.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2024, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures other than refunds authorized by law and transfers to other state agencies shall not exceed the following:

State school district finance fund (652-00-7393).....No limit

Mineral production education fund (652-00-7669-7669).....No limit";

On page 280, following line 36, by inserting:

"Sec. 165. K.S.A. 2021 Supp. 72-5462 is hereby amended to read as follows: 72-5462.

(a) There is hereby established in the state treasury the school district capital improvements fund. The fund shall consist of all amounts transferred thereto under the provisions of subsection (c).

(b) In each school year, each school district which is obligated to make payments from its capital improvements fund shall be entitled to receive payment from the school district capital

improvements fund in an amount determined by the state board of education as provided in this subsection.

(1) For general obligation bonds approved for issuance at an election held prior to July 1, 2015, the state board of education shall:

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

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

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

(D) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the median AVPP shown on the schedule, decreasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval above the amount of the median AVPP, and increasing the state aid computation percentage assigned to the amount of the median AVPP by one percentage point for each \$1,000 interval below the amount of the median AVPP. Except as provided by K.S.A. 72-5463, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district. The state aid percentage factor of a school district shall not exceed 100%.

The state aid computation percentage is 25%;

(E) determine the amount of payments that a school district is obligated to make from its bond and interest fund attributable to general obligation bonds approved for issuance at an election held prior to July 1, 2015; and

(F) multiply the amount determined under subsection (b)(1)(E) by the applicable state aid percentage factor.

(2) For general obligation bonds approved for issuance at an election held on or after July 1, 2015, the state board of education shall:

(A) Determine the amount of the AVPP of each school district in the state for the preceding school year and round such amount to the nearest \$1,000. The rounded amount is the AVPP of a school district for the purposes of this subsection (b)(2);

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

(C) determine a state aid percentage factor for each school district by assigning a state aid computation percentage to the amount of the lowest AVPP shown on the schedule and decreasing the state aid computation percentage assigned to the amount of the lowest AVPP by one percentage point for each \$1,000 interval above the amount of the lowest AVPP. Except as provided by K.S.A. 72-5463, and amendments thereto, the state aid percentage factor of a school district is the percentage assigned to the schedule amount that is equal to the amount of the AVPP of the school district. The state aid computation percentage is 75%;

(D) determine the amount of payments that a school district is obligated to make from

its bond and interest fund attributable to general obligation bonds approved for issuance at an election held on or after July 1, 2015; and

(E) multiply the amount determined under subsection (b)(2)(D) by the applicable state aid percentage factor.

(3) For general obligation bonds approved for issuance at an election held on or before June 30, 2016, the sum of the amount determined under subsection (b)(1)(F) and the amount determined under subsection (b)(2)(E) is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

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

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

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

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

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

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

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

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

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

(5) Except as provided in subsections (b)(6) and (b)(7), the sum of the amounts determined under subsection (b)(3) and the amount determined or allocated to the district by the state board of education pursuant to subsection (b)(4), is the amount of payment the school district is entitled to receive from the school district capital improvements fund in the school year.

(6) A school district that had an enrollment of less than 260 students in the school year immediately preceding the school year in which an election is held to approve the issuance of general obligation bonds shall not be entitled to receive payments from the school district capital improvements fund unless such school district applied for and received approval from the state board of education to issue such bonds prior to holding an election to approve such bond issuance. The provisions of this paragraph shall apply to general obligation bonds approved for

issuance at an election held on or after July 1, 2017, that are issued for the purpose of financing the construction of new school facilities.

(7) For general obligation bonds approved for issuance at an election held on or after July 1, 2017, in determining the amount under subsection (b)(2)(D), the state board shall exclude payments for any capital improvement project, or portion thereof, that proposes to construct, reconstruct or remodel a facility that would be used primarily for extracurricular activities, unless the construction, reconstruction or remodeling of such facility is necessary due to concerns relating to the safety of the current facility or 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.

(c) The state board of education shall certify to the director of accounts and reports the entitlements of school districts determined under the provisions of subsection (b), and an amount equal thereto shall be transferred by the director from the state general fund to the school district capital improvements fund for distribution to school districts. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund, except that all such transfers during the fiscal years ending ~~June 30, 2021~~, June 30, 2022, ~~and~~ June 30, 2023, and June 30, 2024, shall be considered to be revenue transfers from the state general fund.

(d) Payments from the school district capital improvements fund shall be distributed to school districts at times determined by the state board of education to be necessary to assist school districts in making scheduled payments pursuant to contractual bond obligations. The state board of education shall certify to the director of accounts and reports the amount due each school district entitled to payment from the fund, and the director of accounts and reports shall draw a warrant on the state treasurer payable to the treasurer of the school district. Upon receipt

of the warrant, the treasurer of the school district shall credit the amount thereof to the bond and interest fund of the school district to be used for the purposes of such fund.

(e) The provisions of this section apply only to contractual obligations incurred by school districts pursuant to general obligation bonds issued upon approval of a majority of the qualified electors of the school district voting at an election upon the question of the issuance of such bonds.

(f) On or before the first day of the legislative session in 2017, and each year thereafter, the state board of education shall prepare and submit a report to the legislature that includes information on school district elections held on or after July 1, 2016, to approve the issuance of general obligation bonds and the amount of payments school districts were approved to receive from the school district capital improvements fund pursuant to subsection (b)(4)(C).";

On page 291, in line 20, after "65-180," by inserting "72-5462,";

And by renumbering sections accordingly;

On page 1, in the title, in line 7, after "65-180," by inserting "72-5462,"

_____ District.