

HOUSE BILL No. 2410

By Committee on Appropriations

1 AN ACT concerning education; relating to the instruction and financing
 2 thereof; making and concerning appropriations for the fiscal years
 3 ending June 30, 2018, and June 30, 2019, for the department of
 4 education; creating the Kansas school equity and enhancement act;
 5 amending K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a,
 6 12-1776a, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-3712, 72-
 7 3715, 72-5333b, 72-64b01, 72-64c03, 72-64c05, 72-6622, 72-6624, 72-
 8 6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190, 72-8230, 72-
 9 8233, 72-8236, 72-8249, 72-8250, 72-8251, 72-8302, 72-8309, 72-
 10 8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-9609, 72-
 11 99a02, 72-99a02, as amended by section 87 of this act, 74-4939a, 74-
 12 8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-2001 and 79-2925b and
 13 repealing the existing sections; also repealing K.S.A. 2016 Supp. 46-
 14 1133 and 72-6482.

15

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

17 Section 1.

18

DEPARTMENT OF EDUCATION

19

(a) There is appropriated for the above agency from the state general
 20 fund for the fiscal year ending June 30, 2018, the following:

21

Operating expenditures (including official

22

hospitality) (652-00-1000-0053).....\$12,515,606

23

Provided, That any unencumbered balance in the operating expenditures
 24 (including official hospitality) account in excess of \$100 as of June 30,
 25 2017, is hereby reappropriated for fiscal year 2018.

26

Special education services

27

aid (652-00-1000-0700).....\$437,680,455

28

Provided, That any unencumbered balance in the special education
 29 services aid account in excess of \$100 as of June 30, 2017, is hereby
 30 reappropriated for fiscal year 2018: *Provided further*, That expenditures
 31 shall not be made from the special education services aid account for the
 32 provision of instruction for any homebound or hospitalized child unless
 33 the categorization of such child as exceptional is conjoined with the
 34 categorization of the child within one or more of the other categories of
 35 exceptionality: *And provided further*, That expenditures shall be made from
 36 this account for grants to school districts in amounts determined pursuant

1 to and in accordance with the provisions of K.S.A. 72-983, and
 2 amendments thereto: *And provided further*, That expenditures shall be
 3 made from the amount remaining in this account, after deduction of the
 4 expenditures specified in the foregoing proviso, for payments to school
 5 districts in amounts determined pursuant to and in accordance with the
 6 provisions of K.S.A. 72-978, and amendments thereto.

7 State foundation
 8 aid (652-00-1000-0820).....\$1,883,737,602

9 *Provided*, That any unencumbered balance in the general state aid account
 10 in excess of \$100 as of June 30, 2017, is hereby reappropriated for fiscal
 11 year 2018.

12 Supplemental state
 13 aid (652-00-1000-0840).....\$474,109,284

14 *Provided*, That any unencumbered balance in the supplemental general
 15 state aid account in excess of \$100 as of June 30, 2017, is hereby
 16 reappropriated for fiscal year 2018.

17 Activities state aid.....\$6,811,638

18 Information technology education
 19 opportunities (652-00-1000-0600).....\$500,000

20 Kansas reading success
 21 program (652-00-1000-0070).....\$2,100,000

22 Discretionary grants (652-00-1000-0400).....\$322,457

23 *Provided*, That the above agency shall make expenditures from the
 24 discretionary grants account during the fiscal year 2018, in the amount not
 25 less than \$125,000 for after school programs for middle school students in
 26 the sixth, seventh and eighth grades: *Provided further*, That the after
 27 school programs may also include fifth and ninth grade students, if they
 28 attend a junior high: *And provided further*, That such discretionary grants
 29 shall be awarded to after school programs that operate for a minimum of
 30 two hours a day, every day that school is in session, and a minimum of six
 31 hours a day for a minimum of five weeks during the summer: *And*
 32 *provided further*, That the discretionary grants awarded to after school
 33 programs shall require a \$1 for \$1 local match: *And provided further*, That
 34 the aggregate amount of discretionary grants awarded to any one after
 35 school program shall not exceed \$25,000: *And provided further*, That
 36 during the fiscal year ending June 30, 2018, expenditures shall be made by
 37 the above agency from the discretionary grants fund for fiscal year 2018 to
 38 establish a pilot program for communities in schools programming in three
 39 school districts in Kansas: *And provided further*, That communities in
 40 schools shall conduct an outcomes based study of its programming during
 41 fiscal year 2018: *And provided further*, That the Kansas department of
 42 education is hereby authorized and directed to provide to communities in
 43 schools such student or other data as shall be necessary to permit

1 communities in schools to conduct such study of outcomes regarding the
 2 students assisted with such communities in schools programming: *And*
 3 *provided further*; That such data shall include data regarding
 4 demographically similar students at peer institutions not involved in
 5 communities in schools programs, to permit the research study to compare
 6 outcomes of students receiving communities in schools services versus
 7 students not receiving such services: *And provided further*; That upon
 8 providing the Kansas department of education with the names of students
 9 participating in the communities in schools program, the Kansas
 10 department of education shall provide the current status of students
 11 identified as participating in the program.

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

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

14 KPERS – employer contributions –
 15 USDs.....\$382,407,305

16 KPERS – employer
 17 contributions (652-00-1000-0100).....\$25,275,661

18 *Provided*, That any unencumbered balance in the KPERS – employer
 19 contributions account in excess of \$100 as of June 30, 2017, is hereby
 20 reappropriated for fiscal year 2018: *Provided further*; That all expenditures
 21 from the KPERS – employer contributions account shall be for payment of
 22 participating employers' contributions to the Kansas public employees
 23 retirement system as provided in K.S.A. 74-4939, and amendments
 24 thereto: *And provided further*; That expenditures from this account for the
 25 payment of participating employers' contributions to the Kansas public
 26 employees retirement system may be made regardless of when the liability
 27 was incurred.

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

31 School district juvenile detention facilities and Flint Hills job
 32 corps center grants (652-00-1000-0290).....\$4,771,500

33 *Provided*, That any unencumbered balance in the school district juvenile
 34 detention facilities and Flint Hills job corps center grants account in excess
 35 of \$100 as of June 30, 2017, is hereby reappropriated for fiscal year 2018:
 36 *Provided further*; That expenditures shall be made from the school district
 37 juvenile detention facilities and Flint Hills job corps center grants account
 38 for grants to school districts in amounts determined pursuant to and in
 39 accordance with the provisions of K.S.A. 72-8187, and amendments
 40 thereto.

41 Governor's teaching excellence
 42 scholarships and
 43 awards (652-00-1000-0770).....\$327,500

1 *Provided*, That any unencumbered balance in the governor's teaching
 2 excellence scholarships and awards account in excess of \$100 as of June
 3 30, 2017, is hereby reappropriated for fiscal year 2018: *Provided further*,
 4 That all expenditures from the governor's teaching excellence scholarships
 5 and awards account for teaching excellence scholarships shall be made in
 6 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
 7 *further*, That each such grant shall be required to be matched on a \$1 for \$1
 8 basis from nonstate sources: *And provided further*, That award of each such
 9 grant shall be conditioned upon the recipient entering into an agreement
 10 requiring the grant to be repaid if the recipient fails to complete the course
 11 of training under the national board for professional teaching standards
 12 certification program: *And provided further*, That all moneys received by
 13 the department of education for repayment of grants for governor's
 14 teaching excellence scholarships shall be deposited in the state treasury
 15 and credited to the governor's teaching excellence scholarships program
 16 repayment fund (652-00-7221-7200).

17 (b) There is appropriated for the above agency from the following
 18 special revenue fund or funds for the fiscal year ending June 30, 2018, all
 19 moneys now or hereafter lawfully credited to and available in such fund or
 20 funds, except that expenditures other than refunds authorized by law and
 21 transfers to other state agencies shall not exceed the following:

22 State school district finance	
23 fund (652-00-7393-7000).....	No limit
24 School district capital improvements	
25 fund (652-00-2880-2880).....	No limit
26 <i>Provided</i> , That expenditures from the school district capital improvements	
27 fund shall be made only for the payment of general obligation bonds	
28 approved by voters under the authority of K.S.A. 72-6761, and	
29 amendments thereto.	
30 Mineral production education	
31 fund (652-00-7669-7669).....	No limit
32 School district capital outlay state aid	
33 fund.....	No limit
34 Conversion of materials and equipment	
35 fund.....	No limit
36 State safety fund (652-00-2538-2030).....	No limit
37 School bus safety fund (652-00-2532-2300).....	No limit
38 Motorcycle safety fund (652-00-2633-2050).....	No limit
39 Federal indirect cost reimbursement	
40 fund (652-00-2312-2200).....	No limit
41 Teacher and administrator fee	
42 fund (652-00-2728-2700).....	No limit
43 Food assistance –	

1	federal fund (652-00-3230-3020).....	No limit
2	Food assistance – school breakfast program –	
3	federal fund (652-00-3529-3490).....	No limit
4	Food assistance – national school lunch program –	
5	federal fund (652-00-3530-3500).....	No limit
6	Food assistance – child and adult care food program – federal	
7	fund (652-00-3531-3510).....	No limit
8	Community-based child abuse prevention – federal	
9	fund (652-00-3319-7400).....	No limit
10	Family and children investment	
11	fund (652-00-7375).....	No limit
12	Elementary and secondary school aid – federal	
13	fund (652-00-3233-3040).....	No limit
14	Educationally deprived children – state operations –	
15	federal fund (652-00-3131-3130).....	No limit
16	Elementary and secondary school –	
17	educationally deprived children –	
18	LEA's fund (652-00-3532-3520).....	No limit
19	ESEA chapter II – state operations –	
20	federal fund (652-00-3132-3140).....	No limit
21	Education of handicapped children fund –	
22	federal (652-00-3234-3050).....	No limit
23	Education of handicapped children	
24	fund – state operations –	
25	federal fund (652-00-3534-3540).....	No limit
26	Education of handicapped children fund – preschool – federal	
27	fund (652-00-3535-3550).....	No limit
28	Education of handicapped children	
29	fund – preschool state operations –	
30	federal (652-00-3536-3560).....	No limit
31	Elementary and secondary school	
32	aid – federal fund – migrant	
33	education fund (652-00-3537-3570).....	No limit
34	Elementary and secondary school aid –	
35	federal fund – migran education –	
36	state operations (652-00-3538-3580).....	No limit
37	Vocational education title II –	
38	federal fund (652-00-3539-3590).....	No limit
39	Vocational education title II –	
40	federal fund –	
41	state operations (652-00-3540-3600).....	No limit
42	Educational research grants and projects	
43	fund (652-00-3592-3070).....	No limit

- 1 Drug abuse fund – department of education –
- 2 federal (652-00-3795-3100).....No limit
- 3 Drug abuse funds – federal – state operations
- 4 fund (652-00-3799-3110).....No limit
- 5 Inservice education workshop
- 6 fee fund (652-00-2230-2010).....No limit
- 7 *Provided*, That expenditures may be made from the inservice education
- 8 workshop fee fund for operating expenditures, including official
- 9 hospitality, incurred for inservice workshops and conferences: *Provided*
- 10 *further*, That the state board of education is hereby authorized to fix,
- 11 charge and collect fees for inservice workshops and conferences: *And*
- 12 *provided further*, That such fees shall be fixed in order to recover all or
- 13 part of such operating expenditures incurred for inservice workshops and
- 14 conferences: *And provided further*, That all fees received for inservice
- 15 workshops and conferences shall be deposited in the state treasury in
- 16 accordance with the provisions of K.S.A. 75-4215, and amendments
- 17 thereto, and shall be credited to the inservice education workshop fee fund.
- 18 Private donations, gifts, grants and bequests
- 19 fund (652-00-7307-5000).....No limit
- 20 Reimbursement for services
- 21 fund (652-00-3056-3200).....No limit
- 22 Communities in schools program
- 23 fund (652-00-2221-2400).....No limit
- 24 Governor's teaching excellence scholarships program repayment
- 25 fund (652-00-7221-7200).....No limit
- 26 *Provided*, That all expenditures from the governor's teaching excellence
- 27 scholarships program repayment fund shall be made in accordance with
- 28 K.S.A. 72-1398, and amendments thereto: *Provided further*, That each
- 29 such grant shall be required to be matched on a \$1 for \$1 basis from
- 30 nonstate sources: *And provided further*, That award of each such grant shall
- 31 be conditioned upon the recipient entering into an agreement requiring the
- 32 grant to be repaid if the recipient fails to complete the course of training
- 33 under the national board for professional teaching standards certification
- 34 program: *And provided further*, That all moneys received by the
- 35 department of education for repayment of grants made under the
- 36 governor's teaching excellence scholarships program shall be deposited in
- 37 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
- 38 amendments thereto, and shall be credited to the governor's teaching
- 39 excellence scholarships program repayment fund.
- 40 Elementary and secondary school aid –
- 41 federal fund – reading first – state
- 42 operations (652-00-3525-3850).....No limit
- 43 State grants for improving teacher quality –

- 1 federal fund (652-00-3526-3860).....No limit
- 2 State grants for improving teacher
- 3 quality – federal fund – state
- 4 operations (652-00-3527-3870).....No limit
- 5 21st century community learning centers –
- 6 federal fund (652-00-3519-3890).....No limit
- 7 State assessments –
- 8 federal fund (652-00-3520-3800).....No limit
- 9 Rural and low-income schools program –
- 10 federal fund (652-00-3521-3810).....No limit
- 11 TANF children's programs – federal
- 12 fund (652-00-3323-0530).....No limit
- 13 ESSA – student support
- 14 academic enrichment –
- 15 federal fund.....No limit
- 16 Language assistance state grants –
- 17 federal fund (652-00-3522-3820).....No limit
- 18 Service clearing fund (652-00-2869-2800).....No limit
- 19 Helping schools license plate program
- 20 fund (652-00-2606-2600).....No limit
- 21 General state aid transportation
- 22 weighting – state highway
- 23 fund (652-00-2222-2222).....No limit
- 24 *Provided, That on July 1, 2017, October 1, 2017, January 1, 2018, and*
- 25 *April 1, 2018, the director of accounts and reports shall transfer*
- 26 *\$24,150,000 from the state highway fund of the department of*
- 27 *transportation to the general state aid transportation weighting – state*
- 28 *highway fund of the department of education.*
- 29 Special education transportation
- 30 weighting – state highway
- 31 fund (652-00-2223-2223).....No limit
- 32 *Provided, That on July 1, 2017, October 1, 2017, January 1, 2018, and*
- 33 *April 1, 2018, the director of accounts and reports shall transfer*
- 34 *\$2,500,000 from the state highway fund of the department of*
- 35 *transportation to the special education transportation weighting – state*
- 36 *highway fund of the department of education.*
- 37 Career and technical education
- 38 transportation – state highway
- 39 fund (652-00-2139-2139).....No limit
- 40 *Provided, That on July 1, 2017, the director of accounts and reports shall*
- 41 *transfer \$650,000 from the state highway fund of the department of*
- 42 *transportation to the career and technical education transportation – state*
- 43 *highway fund of the department of education.*

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

3 *Provided*, That expenditures shall be made by the above agency for the
4 fiscal year ending June 30, 2018, from the educational technology
5 coordinator fund of the department of education to provide data on the
6 number of school districts served and cost savings for those districts in
7 fiscal year 2018 in order to assess the cost effectiveness of the position of
8 educational technology coordinator.

9 (c) There is appropriated for the above agency from the children's
10 initiatives fund for the fiscal year ending June 30, 2018, the following:

11 Pre-K program.....\$4,799,812
12 Parent education program.....\$7,237,635

13 *Provided*, That expenditures from the parent education program account
14 for each such grant shall be matched by the school district in an amount
15 which is equal to not less than 65% of the grant.

16 (d) On July 1, 2017, or as soon thereafter as moneys are available,
17 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
18 amendments thereto, or any other statute, the director of accounts and
19 reports shall transfer \$50,000 from the family and children trust account of
20 the family and children investment fund of the Kansas department for
21 children and families to the communities in schools program fund of the
22 department of education.

23 (e) On March 30, 2018, or as soon thereafter as moneys are available,
24 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
25 thereto, or any other statute, the director of accounts and reports shall
26 transfer \$550,000 from the state safety fund to the state general fund:

27 *Provided*, That the transfer of such amount shall be in addition to any
28 other transfer from the state safety fund to the state general fund as
29 prescribed by law: *Provided further*; That the amount transferred from the
30 state safety fund to the state general fund pursuant to this subsection is to
31 reimburse the state general fund for accounting, auditing, budgeting, legal,
32 payroll, personnel and purchasing services and any other governmental
33 services that are performed on behalf of the department of education by
34 other state agencies that receive appropriations from the state general fund
35 to provide such services.

36 (f) On June 30, 2018, or as soon thereafter as moneys are available,
37 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
38 thereto, or any other statute, the director of accounts and reports shall
39 transfer \$550,000 from the state safety fund to the state general fund:

40 *Provided*, That the transfer of such amount shall be in addition to any other
41 transfer from the state safety fund to the state general fund as prescribed
42 by law: *Provided further*; That the amount transferred from the state safety
43 fund to the state general fund pursuant to this subsection is to reimburse

1 the state general fund for accounting, auditing, budgeting, legal, payroll,
2 personnel and purchasing services and any other governmental services
3 that are performed on behalf of the department of education by other state
4 agencies that receive appropriations from the state general fund to provide
5 such services.

6 (g) On July 1, 2017, and quarterly thereafter, the director of accounts
7 and reports shall transfer \$56,250 from the state highway fund of the
8 department of transportation to the school bus safety fund of the
9 department of education.

10 (h) On July 1, 2017, the director of accounts and reports shall transfer
11 an amount certified by the commissioner of education from the motorcycle
12 safety fund of the department of education to the motorcycle safety fund of
13 the state board of regents: *Provided*, That the amount to be transferred
14 shall be determined by the commissioner of education based on the
15 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
16 amendments thereto.

17 (i) There is appropriated for the above agency from the expanded
18 lottery act revenues fund for the fiscal year ending June 30, 2018, the
19 following:

20 KPERS – non-school employer
21 contribution.....\$35,430,948

22 (j) On July 1, 2017, or as soon thereafter as moneys are available, the
23 director of accounts and reports shall transfer \$89,323 from the USAC E-
24 rate program federal fund of the state board of regents to the education
25 technology coordinator fund of the department of education: *Provided*,
26 That the department of education shall provide information and data
27 regarding the number of school districts served and cost savings attained
28 by such school districts in order to assess the cost effectiveness of having
29 this education technology coordinator position: *Provided further*; That such
30 information and data shall be available by the department of education by
31 the end of the fiscal year 2018.

32 Sec. 2.

33 DEPARTMENT OF EDUCATION

34 (a) There is appropriated for the above agency from the state general
35 fund for the fiscal year ending June 30, 2019, the following:

36 Operating expenditures (including official
37 hospitality) (652-00-1000-0053).....\$12,585,839

38 *Provided*, That any unencumbered balance in the operating expenditures
39 (including official hospitality) account in excess of \$100 as of June 30,
40 2018, is hereby reappropriated for fiscal year 2019.

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

43 *Provided*, That any unencumbered balance in the special education

1 services aid account in excess of \$100 as of June 30, 2018, is hereby
 2 reappropriated for fiscal year 2019: *Provided further*, That expenditures
 3 shall not be made from the special education services aid account for the
 4 provision of instruction for any homebound or hospitalized child unless
 5 the categorization of such child as exceptional is conjoined with the
 6 categorization of the child within one or more of the other categories of
 7 exceptionality: *And provided further*, That expenditures shall be made from
 8 this account for grants to school districts in amounts determined pursuant
 9 to and in accordance with the provisions of K.S.A. 72-983, and
 10 amendments thereto: *And provided further*, That expenditures shall be
 11 made from the amount remaining in this account, after deduction of the
 12 expenditures specified in the foregoing proviso, for payments to school
 13 districts in amounts determined pursuant to and in accordance with the
 14 provisions of K.S.A. 72-978, and amendments thereto.

15 State foundation aid (652-00-1000-0820).....\$1,893,440,531
 16 *Provided*, That any unencumbered balance in the general state aid account
 17 in excess of \$100 as of June 30, 2018, is hereby reappropriated for fiscal
 18 year 2019.

19 Supplemental state aid (652-00-1000-0840).....\$474,109,284
 20 *Provided*, That any unencumbered balance in the supplemental general
 21 state aid account in excess of \$100 as of June 30, 2018, is hereby
 22 reappropriated for fiscal year 2019.

23 Activities state aid.....\$12,000,000

24 Information technology education
 25 opportunities (652-00-1000-0600).....\$500,000

26 Kansas reading success
 27 program (652-00-1000-0070).....\$2,100,000

28 Discretionary grants (652-00-1000-0400).....\$322,457

29 *Provided*, That the above agency shall make expenditures from the
 30 discretionary grants account during the fiscal year 2019, in the amount not
 31 less than \$125,000 for after school programs for middle school students in
 32 the sixth, seventh and eighth grades: *Provided further*, That the after school
 33 programs may also include fifth and ninth grade students, if they attend a
 34 junior high: *And provided further*, That such discretionary grants shall be
 35 awarded to after school programs that operate for a minimum of two hours
 36 a day, every day that school is in session, and a minimum of six hours a
 37 day for a minimum of five weeks during the summer: *And provided*
 38 *further*, That the discretionary grants awarded to after school programs
 39 shall require a \$1 for \$1 local match: *And provided further*, That the
 40 aggregate amount of discretionary grants awarded to any one after school
 41 program shall not exceed \$25,000: *And provided further*, That during the
 42 fiscal year ending June 30, 2019, expenditures shall be made by the above
 43 agency from the discretionary grants fund for fiscal year 2019 to establish

1 a pilot program for communities in schools programming in three school
 2 districts in Kansas: *And provided further*, That communities in schools
 3 shall conduct an outcomes based study of its programming during fiscal
 4 year 2019: *And provided further*, That the Kansas department of education
 5 is hereby authorized and directed to provide to communities in schools
 6 such student or other data as shall be necessary to permit communities in
 7 schools to conduct such study of outcomes regarding the students assisted
 8 with such communities in schools programming: *And provided further*,
 9 That such data shall include data regarding demographically similar
 10 students at peer institutions not involved in communities in schools
 11 programs, to permit the research study to compare outcomes of students
 12 receiving communities in schools services versus students not receiving
 13 such services: *And provided further*, That upon providing the Kansas
 14 department of education with the names of students participating in the
 15 communities in schools program, the Kansas department of education shall
 16 provide the current status of students identified as participating in the
 17 program.

18	School food assistance (652-00-1000-0320).....	\$2,510,486
19	School safety hotline (652-00-1000-0230).....	\$10,000
20	KPERS – employer contributions –	
21	USDs.....	\$421,856,124
22	KPERS – employer	
23	contributions (652-00-1000-0100).....	\$31,538,101

24 *Provided*, That any unencumbered balance in the KPERS – employer
 25 contributions account in excess of \$100 as of June 30, 2018, is hereby
 26 reappropriated for fiscal year 2019: *Provided further*, That all expenditures
 27 from the KPERS – employer contributions account shall be for payment of
 28 participating employers' contributions to the Kansas public employees
 29 retirement system as provided in K.S.A. 74-4939, and amendments
 30 thereto: *And provided further*, That expenditures from this account for the
 31 payment of participating employers' contributions to the Kansas public
 32 employees retirement system may be made regardless of when the liability
 33 was incurred.

34	Educable deaf-blind and severely	
35	handicapped children's programs	
36	aid (652-00-1000-0630).....	\$110,000
37	School district juvenile detention	
38	facilities and Flint Hills	
39	job corps center	
40	grants (652-00-1000-0290).....	\$4,771,500

41 *Provided*, That any unencumbered balance in the school district juvenile
 42 detention facilities and Flint Hills job corps center grants account in excess
 43 of \$100 as of June 30, 2018, is hereby reappropriated for fiscal year 2019:

1 *Provided further*, That expenditures shall be made from the school district
2 juvenile detention facilities and Flint Hills job corps center grants account
3 for grants to school districts in amounts determined pursuant to and in
4 accordance with the provisions of K.S.A. 72-8187, and amendments
5 thereto.

6 Governor's teaching excellence
7 scholarships and
8 awards (652-00-1000-0770).....\$327,500

9 *Provided*, That any unencumbered balance in the governor's teaching
10 excellence scholarships and awards account in excess of \$100 as of June
11 30, 2018, is hereby reappropriated for fiscal year 2019: *Provided further*,
12 That all expenditures from the governor's teaching excellence scholarships
13 and awards account for teaching excellence scholarships shall be made in
14 accordance with K.S.A. 72-1398, and amendments thereto: *And provided*
15 *further*, That each such grant shall be required to be matched on a \$1 for \$1
16 basis from nonstate sources: *And provided further*, That award of each such
17 grant shall be conditioned upon the recipient entering into an agreement
18 requiring the grant to be repaid if the recipient fails to complete the course
19 of training under the national board for professional teaching standards
20 certification program: *And provided further*, That all moneys received by
21 the department of education for repayment of grants for governor's
22 teaching excellence scholarships shall be deposited in the state treasury
23 and credited to the governor's teaching excellence scholarships program
24 repayment fund (652-00-7221-7200).

25 (b) There is appropriated for the above agency from the following
26 special revenue fund or funds for the fiscal year ending June 30, 2019, all
27 moneys now or hereafter lawfully credited to and available in such fund or
28 funds, except that expenditures other than refunds authorized by law and
29 transfers to other state agencies shall not exceed the following:

30 State school district finance
31 fund (652-00-7393-7000).....No limit

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

34 *Provided*, That expenditures from the school district capital improvements
35 fund shall be made only for the payment of general obligation bonds
36 approved by voters under the authority of K.S.A. 72-6761, and
37 amendments thereto.

38 Mineral production education
39 fund (652-00-7669-7669).....No limit

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

42 Conversion of materials and equipment
43 fund.....No limit

1	State safety fund (652-00-2538-2030).....	No limit
2	School bus safety fund (652-00-2532-2300).....	No limit
3	Motorcycle safety fund (652-00-2633-2050).....	No limit
4	Federal indirect cost reimbursement	
5	fund (652-00-2312-2200).....	No limit
6	Teacher and administrator fee	
7	fund (652-00-2728-2700).....	No limit
8	Food assistance –	
9	federal fund (652-00-3230-3020).....	No limit
10	Food assistance – school breakfast program –	
11	federal fund (652-00-3529-3490).....	No limit
12	Food assistance – national school lunch program –	
13	federal fund (652-00-3530-3500).....	No limit
14	Food assistance – child and	
15	adult care food program –	
16	federal fund (652-00-3531-3510).....	No limit
17	Community-based child	
18	abuse prevention –	
19	federal fund (652-00-3319-7400).....	No limit
20	Family and children investment	
21	fund (652-00-7375).....	No limit
22	Elementary and secondary school aid –	
23	federal fund (652-00-3233-3040).....	No limit
24	Educationally deprived children – state operations –	
25	federal fund (652-00-3131-3130).....	No limit
26	Elementary and secondary school –	
27	educationally deprived children –	
28	LEA's fund (652-00-3532-3520).....	No limit
29	ESEA chapter II – state operations –	
30	federal fund (652-00-3132-3140).....	No limit
31	Education of handicapped children fund –	
32	federal (652-00-3234-3050).....	No limit
33	Education of handicapped children	
34	fund – state operations –	
35	federal fund (652-00-3534-3540).....	No limit
36	Education of handicapped children	
37	fund – preschool – federal	
38	fund (652-00-3535-3550).....	No limit
39	Education of handicapped children	
40	fund – preschool state operations –	
41	federal (652-00-3536-3560).....	No limit
42	Elementary and secondary school	
43	aid – federal fund – migrant	

1	education fund (652-00-3537-3570).....	No limit
2	Elementary and secondary school aid –	
3	federal fund – migrant education –	
4	state operations (652-00-3538-3580)	No limit
5	Vocational education title II –	
6	federal fund (652-00-3539-3590).....	No limit
7	Vocational education title II –	
8	federal fund – state	
9	operations (652-00-3540-3600)	No limit
10	Educational research grants and projects	
11	fund (652-00-3592-3070).....	No limit
12	Drug abuse fund – department of education –	
13	federal (652-00-3795-3100).....	No limit
14	Drug abuse funds – federal – state operations	
15	fund (652-00-3799-3110).....	No limit
16	Inservice education workshop	
17	fee fund (652-00-2230-2010).....	No limit
18	<i>Provided</i> , That expenditures may be made from the inservice education	
19	workshop fee fund for operating expenditures, including official	
20	hospitality, incurred for inservice workshops and conferences: <i>Provided</i>	
21	<i>further</i> , That the state board of education is hereby authorized to fix,	
22	charge and collect fees for inservice workshops and conferences: <i>And</i>	
23	<i>provided further</i> , That such fees shall be fixed in order to recover all or	
24	part of such operating expenditures incurred for inservice workshops and	
25	conferences: <i>And provided further</i> , That all fees received for inservice	
26	workshops and conferences shall be deposited in the state treasury in	
27	accordance with the provisions of K.S.A. 75-4215, and amendments	
28	thereto, and shall be credited to the inservice education workshop fee fund.	
29	Private donations, gifts, grants and bequests	
30	fund (652-00-7307-5000).....	No limit
31	Reimbursement for services	
32	fund (652-00-3056-3200).....	No limit
33	Communities in schools program	
34	fund (652-00-2221-2400).....	No limit
35	Governor's teaching excellence scholarships program repayment	
36	fund (652-00-7221-7200).....	No limit
37	<i>Provided</i> , That all expenditures from the governor's teaching excellence	
38	scholarships program repayment fund shall be made in accordance with	
39	K.S.A. 72-1398, and amendments thereto: <i>Provided further</i> , That each	
40	such grant shall be required to be matched on a \$1 for \$1 basis from	
41	nonstate sources: <i>And provided further</i> , That award of each such grant shall	
42	be conditioned upon the recipient entering into an agreement requiring the	
43	grant to be repaid if the recipient fails to complete the course of training	

1 under the national board for professional teaching standards certification
 2 program: *And provided further,* That all moneys received by the
 3 department of education for repayment of grants made under the
 4 governor's teaching excellence scholarships program shall be deposited in
 5 the state treasury in accordance with the provisions of K.S.A. 75-4215, and
 6 amendments thereto, and shall be credited to the governor's teaching
 7 excellence scholarships program repayment fund.

8 State grants for improving teacher quality –
 9 federal fund (652-00-3526-3860).....No limit

10 State grants for improving
 11 teacher quality – federal fund –
 12 state operations (652-00-3527-3870).....No limit

13 21st century community l
 14 earning centers – federal
 15 fund (652-00-3519-3890).....No limit

16 State assessments –
 17 federal fund (652-00-3520-3800).....No limit

18 Rural and low-income schools program –
 19 federal fund (652-00-3521-3810).....No limit

20 TANF children's programs – federal
 21 fund (652-00-3323-0530).....No limit

22 ESSA – student support
 23 academic enrichment –
 24 federal fund.....No limit

25 Language assistance state grants –
 26 federal fund (652-00-3522-3820).....No limit

27 Service clearing fund (652-00-2869-2800).....No limit

28 Helping schools
 29 license plate program
 30 fund (652-00-2606-2600).....No limit

31 General state aid transportation
 32 weighting – state highway
 33 fund (652-00-2222-2222).....No limit

34 *Provided,* That on July 1, 2018, October 1, 2018, January 1, 2019, and
 35 April 1, 2019, the director of accounts and reports shall transfer
 36 \$24,150,000 from the state highway fund of the department of
 37 transportation to the general state aid transportation weighting – state
 38 highway fund of the department of education.

39 Special education transportation
 40 weighting – state highway
 41 fund (652-00-2223-2223).....No limit

42 *Provided,* That on July 1, 2018, October 1, 2018, January 1, 2019, and
 43 April 1, 2019, the director of accounts and reports shall transfer

1 \$2,500,000 from the state highway fund of the department of
2 transportation to the special education transportation weighting – state
3 highway fund of the department of education.

4 Career and technical education
5 transportation – state highway
6 fund (652-00-2139-2139).....No limit

7 *Provided*, That on July 1, 2018, the director of accounts and reports shall
8 transfer \$650,000 from the state highway fund of the department of
9 transportation to the career and technical education transportation – state
10 highway fund of the department of education.

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

13 *Provided*, That expenditures shall be made by the above agency for the
14 fiscal year ending June 30, 2019, from the educational technology
15 coordinator fund of the department of education to provide data on the
16 number of school districts served and cost savings for those districts in
17 fiscal year 2019 in order to assess the cost effectiveness of the position of
18 educational technology coordinator.

19 (c) There is appropriated for the above agency from the children's
20 initiatives fund for the fiscal year ending June 30, 2019, the following:

21 Pre-K program.....\$4,799,812
22 Parent education program.....\$7,237,635

23 *Provided*, That expenditures from the parent education program account
24 for each such grant shall be matched by the school district in an amount
25 which is equal to not less than 65% of the grant.

26 (d) On July 1, 2018, or as soon thereafter as moneys are available,
27 notwithstanding the provisions of K.S.A. 8-1,148 or 38-1808, and
28 amendments thereto, or any other statute, the director of accounts and
29 reports shall transfer \$50,000 from the family and children trust account of
30 the family and children investment fund of the Kansas department for
31 children and families to the communities in schools program fund of the
32 department of education.

33 (e) On March 30, 2019, or as soon thereafter as moneys are available,
34 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
35 thereto, or any other statute, the director of accounts and reports shall
36 transfer \$550,000 from the state safety fund to the state general fund:

37 *Provided*, That the transfer of such amount shall be in addition to any
38 other transfer from the state safety fund to the state general fund as
39 prescribed by law: *Provided further*; That the amount transferred from the
40 state safety fund to the state general fund pursuant to this subsection is to
41 reimburse the state general fund for accounting, auditing, budgeting, legal,
42 payroll, personnel and purchasing services and any other governmental
43 services that are performed on behalf of the department of education by

1 other state agencies that receive appropriations from the state general fund
2 to provide such services.

3 (f) On June 30, 2019, or as soon thereafter as moneys are available,
4 notwithstanding the provisions of K.S.A. 8-267 or 8-272, and amendments
5 thereto, or any other statute, the director of accounts and reports shall
6 transfer \$550,000 from the state safety fund to the state general fund:
7 *Provided*, That the transfer of such amount shall be in addition to any other
8 transfer from the state safety fund to the state general fund as prescribed
9 by law: *Provided further*, That the amount transferred from the state safety
10 fund to the state general fund pursuant to this subsection is to reimburse
11 the state general fund for accounting, auditing, budgeting, legal, payroll,
12 personnel and purchasing services and any other governmental services
13 that are performed on behalf of the department of education by other state
14 agencies that receive appropriations from the state general fund to provide
15 such services.

16 (g) On July 1, 2018, and quarterly thereafter, the director of accounts
17 and reports shall transfer \$56,250 from the state highway fund of the
18 department of transportation to the school bus safety fund of the
19 department of education.

20 (h) On July 1, 2018, the director of accounts and reports shall transfer
21 an amount certified by the commissioner of education from the motorcycle
22 safety fund of the department of education to the motorcycle safety fund of
23 the state board of regents: *Provided*, That the amount to be transferred
24 shall be determined by the commissioner of education based on the
25 amounts required to be paid pursuant to K.S.A. 8-272(b)(2), and
26 amendments thereto.

27 (i) There is appropriated for the above agency from the expanded
28 lottery act revenues fund for the fiscal year ending June 30, 2019, the
29 following:

30 KPERS – non-school employer
31 contribution.....\$35,430,948

32 (j) On July 1, 2018, or as soon thereafter as moneys are available, the
33 director of accounts and reports shall transfer \$89,323 from the USAC E-
34 rate program federal fund of the state board of regents to the education
35 technology coordinator fund of the department of education: *Provided*,
36 That the department of education shall provide information and data
37 regarding the number of school districts served and cost savings attained
38 by such school districts in order to assess the cost effectiveness of having
39 this education technology coordinator position: *Provided further*, That such
40 information and data shall be available by the department of education by
41 the end of the fiscal year 2019.

42 New Sec. 3. Sections 3 through 46, and amendments thereto, shall be
43 known and may be cited as the Kansas school equity and enhancement act.

1 New Sec. 4. As used in the Kansas school equity and enhancement
2 act, section 3 et seq., and amendments thereto:

3 (a) "Adjusted enrollment" means the foundation enrollment of a
4 school district adjusted by adding the following weightings, if any, to the
5 enrollment of the school district: At-risk student weighting; cost-of-living
6 weighting; declining enrollment weighting; high-density at-risk student
7 weighting; bilingual weighting; low enrollment weighting; new school
8 facilities cost weighting; special education and related services weighting;
9 and transportation weighting.

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

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

18 (c) "At-risk student weighting" means an addend component assigned
19 to the foundation enrollment of school districts pursuant to section 27(a),
20 and amendments thereto, on the basis of costs attributable to the
21 maintenance of at-risk educational programs by such school districts.

22 (d) (1) Except as otherwise provided in this subsection, "base aid for
23 student excellence" or "BASE aid" means an amount appropriated by the
24 legislature in a fiscal year for the designated year. For school year 2017-
25 2018, the amount of BASE aid shall be \$5,212.

26 (2) Commencing in school year 2018-2019, and each school year
27 thereafter, the BASE aid shall increase by an amount equal to the
28 percentage increase in the consumer price index for all urban consumers in
29 the midwest region as published by the bureau of labor statistics of the
30 United States department of labor during the second preceding school year.

31 (3) For any school year in which the local foundation budget for each
32 school district is determined pursuant to section 14(b), and amendments
33 thereto, the BASE aid for such school year shall be \$5,320.

34 (4) The amount of BASE aid is subject to reduction commensurate
35 with any reduction under K.S.A. 75-6704, and amendments thereto, in the
36 amount of the appropriation from the state general fund for state
37 foundation aid. If the amount of appropriations for state foundation aid is
38 insufficient to pay in full the amount each school district is entitled to
39 receive for any school year, the amount of BASE aid for such school year
40 is subject to reduction commensurate with the amount of the insufficiency.

41 (e) "Bilingual weighting" means an addend component assigned to
42 the foundation enrollment of school districts pursuant to section 26, and
43 amendments thereto, on the basis of costs attributable to the maintenance

1 of bilingual educational programs by such school districts.

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

3 (g) "Budget per student" means the general fund budget of a school
4 district divided by the enrollment of the school district.

5 (h) "Categorical fund" means and includes the following funds of a
6 school district: Adult education fund; adult supplementary education fund;
7 bilingual education fund; career and postsecondary education fund; driver
8 training fund; educational excellence grant program fund; extraordinary
9 school program fund; food service fund; parent education program fund;
10 preschool-aged at-risk education fund; professional development fund;
11 special education fund; and summer program fund.

12 (i) "Cost-of-living weighting" means an addend component assigned
13 to the foundation enrollment of school districts pursuant to section 32, and
14 amendments thereto, on the basis of costs attributable to the cost of living
15 in such school districts.

16 (j) "Current school year" means the school year during which state
17 foundation aid is determined by the state board under section 6, and
18 amendments thereto.

19 (k) "Declining enrollment weighting" means an addend component
20 assigned to the foundation enrollment of school districts pursuant to
21 section 33, and amendments thereto, on the basis of costs attributable to
22 the declining enrollment of such school districts.

23 (l) "Enrollment" means the number of students regularly enrolled in
24 the school district as determined by the state board pursuant to section
25 10(a), and amendments thereto.

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

29 (n) "Federal impact aid" means an amount equal to the federally
30 qualified percentage of the amount of moneys a school district receives in
31 the current school year under the provisions of title I of public law 874 and
32 congressional appropriations therefor, excluding amounts received for
33 assistance in cases of major disaster and amounts received under the low-
34 rent housing program. The amount of federal impact aid shall be
35 determined by the state board in accordance with terms and conditions
36 imposed under the provisions of the public law and rules and regulations
37 thereunder.

38 (o) "Foundation enrollment" means the number of students regularly
39 enrolled in the school district as determined by the state board pursuant to
40 section 10(b), and amendments thereto.

41 (p) "General fund" means the fund of a school district from which
42 operating expenses are paid and in which is deposited all amounts of state
43 foundation aid provided under this act, payments under K.S.A. 72-7105a,

1 and amendments thereto, payments of federal funds made available under
2 the provisions of title I of public law 874, except amounts received for
3 assistance in cases of major disaster and amounts received under the low-
4 rent housing program and such other moneys as are provided by law.

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

7 (r) "High-density at-risk student weighting" means an addend
8 component assigned to the foundation enrollment of school districts
9 pursuant to section 27(b), and amendments thereto, on the basis of costs
10 attributable to the maintenance of at-risk educational programs by such
11 school districts.

12 (s) "Juvenile detention facility" means the same as such term is
13 defined in K.S.A. 72-8187, and amendments thereto.

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

15 (1) The amount of the proceeds from the tax levied under the
16 authority of section 16, and amendments thereto, that is levied to finance
17 that portion of the school district's local foundation budget that is not
18 financed from any other source provided by law;

19 (2) an amount equal to any unexpended and unencumbered balance
20 remaining in the general fund of the school district, except moneys
21 received by the school district and authorized to be expended for the
22 purposes specified in section 37, and amendments thereto;

23 (3) an amount equal to any remaining proceeds from taxes levied
24 under authority of K.S.A. 72-7056 and 72-7072, and amendments thereto,
25 prior to their repeal;

26 (4) an amount equal to the amount deposited in the general fund in
27 the current school year from moneys received in such school year by the
28 school district under the provisions of K.S.A. 72-1046a(a), and
29 amendments thereto;

30 (5) an amount equal to the amount deposited in the general fund in
31 the current school year from moneys received in such school year by the
32 school district pursuant to contracts made and entered into under authority
33 of K.S.A. 72-6757, and amendments thereto;

34 (6) an amount equal to the amount credited to the general fund in the
35 current school year from moneys distributed in such school year to the
36 school district under the provisions of articles 17 and 34 of chapter 12 of
37 the Kansas Statutes Annotated, and amendments thereto, and under the
38 provisions of articles 42 and 51 of chapter 79 of the Kansas Statutes
39 Annotated, and amendments thereto;

40 (7) an amount equal to the amount of payments received by the
41 school district under the provisions of K.S.A. 72-979, and amendments
42 thereto;

43 (8) an amount equal to the amount of any grant received by the

1 school district under the provisions of K.S.A. 72-983, and amendments
2 thereto; and

3 (9) an amount equal to 70% of the federal impact aid of the school
4 district.

5 (u) "Low enrollment weighting" means an addend component
6 assigned to the foundation enrollment of school districts pursuant to
7 section 25, and amendments thereto, on the basis of costs attributable to
8 maintenance of educational programs by such school districts.

9 (v) "New school facilities cost weighting" means an addend
10 component assigned to the foundation enrollment of school districts
11 pursuant to section 31, and amendments thereto, on the basis of costs
12 attributable to commencing operation of one or more new school facilities
13 by such school districts.

14 (w) "Operating expenses" means the total expenditures and lawful
15 transfers from the general fund of a school district during a school year for
16 all purposes, except expenditures for the purposes specified in section 37,
17 and amendments thereto.

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

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

25 (z) "Preschool-aged exceptional children" means exceptional
26 children, except gifted children, who have attained the age of three years
27 but are under the age of eligibility for attendance at kindergarten. The
28 terms "exceptional children" and "gifted children" have the same meaning
29 as those terms are defined in K.S.A. 72-962, and amendments thereto.

30 (aa) "Psychiatric residential treatment facility" means the same as
31 such term is defined in K.S.A. 72-8187, and amendments thereto.

32 (bb) "School district" means a school district organized under the
33 laws of this state that is maintaining public school for a school term in
34 accordance with the provisions of K.S.A. 72-1106, and amendments
35 thereto.

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

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

40 (ee) "Special education and related services weighting" means an
41 addend component assigned to the foundation enrollment of school
42 districts pursuant to section 30, and amendments thereto, on the basis of
43 costs attributable to the maintenance of special education and related

1 services by such school districts.

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

3 (gg) "State foundation aid" means the amount of aid distributed to
4 school district as determined by the state board pursuant to section 6, and
5 amendments thereto.

6 (hh) (1) "Student" means any person who is regularly enrolled in a
7 school district and attending kindergarten or any of the grades one through
8 12 maintained by the school district or who is regularly enrolled in a
9 school district and attending kindergarten or any of the grades one through
10 12 in another school district in accordance with an agreement entered into
11 under authority of K.S.A. 72-8233, and amendments thereto, or who is
12 regularly enrolled in a school district and attending special education
13 services provided for preschool-aged exceptional children by the school
14 district.

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

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

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

20 (B) A student enrolled in kindergarten full-time shall be counted as
21 follows:

22 (i) For school year 2017-2018, as 0.8 student;

23 (ii) for school year 2018-2019, as 0.9 student; and

24 (iii) for school year 2019-2020, and each school year thereafter, as
25 one student.

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

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

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

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

36 (E) A student enrolled in and attending an institution of
37 postsecondary education that is authorized under the laws of this state to
38 award academic degrees shall be counted as one student if the student's
39 postsecondary education enrollment and attendance together with the
40 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time,
41 otherwise the student shall be counted as that proportion of one student (to
42 the nearest $\frac{1}{10}$) that the total time of the student's postsecondary education
43 attendance and attendance in grades 11 or 12, as applicable, bears to full-

1 time attendance.

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

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

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

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

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

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

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

28 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et
29 seq., and amendments thereto, shall be counted in accordance with the
30 provisions of K.S.A. 2016 Supp. 72-3715, and amendments thereto.

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

34 (jj) "Transportation weighting" means an addend component assigned
35 to the foundation enrollment of school districts pursuant to section 24, and
36 amendments thereto, on the basis of costs attributable to the provision or
37 furnishing of transportation.

38 (kk) "Virtual school" means the same as such term is defined in
39 K.S.A. 2016 Supp. 72-3712, and amendments thereto.

40 New Sec. 5. (a) The state school district finance fund, established by
41 K.S.A. 1991 Supp. 72-7081, prior to its repeal, is hereby continued in
42 existence and shall consist of: (1) All moneys credited to such fund under
43 K.S.A. 2016 Supp. 72-6463 through 72-6481, prior to their expiration; and

1 (2) all amounts transferred to such fund under sections 8, 17, 31, 32 and
2 33, and amendments thereto.

3 (b) The state school district finance fund shall be used for the purpose
4 of school district finance and for no other governmental purpose. It is the
5 intent of the legislature that the fund shall remain intact and inviolate for
6 such purpose, and moneys in the fund shall not be subject to the provisions
7 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.

8 (c) Amounts in the state school district finance fund shall be allocated
9 and distributed to school districts as a portion of state foundation aid
10 provided for under this act.

11 New Sec. 6. In each school year, the state board shall determine the
12 amount of state foundation aid for each school district for such school
13 year. The state board shall determine the amount of the school district's
14 local foundation aid for the school year. If the amount of the school
15 district's local foundation aid is greater than the amount of total foundation
16 aid determined for the school district for the school year, the school district
17 shall not receive state foundation aid in any amount. If the amount of the
18 school district's local foundation aid is less than the amount of total
19 foundation aid determined for the school district for the school year, the
20 state board shall subtract the amount of the school district's local
21 foundation aid from the amount of total foundation aid. The remainder is
22 the amount of state foundation aid the school district shall receive for the
23 school year.

24 New Sec. 7. (a) The distribution of state foundation aid under this act
25 shall be made in accordance with appropriation acts each year as provided
26 in this section.

27 (b) (1) In the months of July through May of each school year, the
28 state board shall determine the amount of state foundation aid that will be
29 required by each school district to maintain operations in each such month.
30 In making such determination, the state board shall take into consideration
31 the school district's access to local foundation aid and the obligations of
32 the general fund that must be satisfied during the month. The amount
33 determined by the state board under this provision is the amount of state
34 foundation aid that will be distributed to the school district in the months
35 of July through May.

36 (2) In the month of June of each school year, payment shall be made
37 of the full amount of the state foundation aid determined for the school
38 year less the sum of the monthly payments made in the months of July
39 through May pursuant to subsection (b)(1).

40 (c) Payments of state foundation aid shall be distributed to school
41 districts once each month on the dates prescribed by the state board. The
42 state board shall certify to the director of accounts and reports the amount
43 due as state foundation aid to each school district in each of the months of

1 July through June. Such certification, and the amount of state foundation
2 aid payable from the state general fund, shall be approved by the director
3 of the budget. The director of accounts and reports shall draw warrants on
4 the state treasurer payable to the school district treasurer of each school
5 district, pursuant to vouchers approved by the state board. Upon receipt of
6 such warrant, each school district treasurer shall deposit the amount of
7 state foundation aid in the general fund of the school district, except that
8 an amount equal to the amount of federal impact aid not included in the
9 local foundation aid of a school district may be disposed of as provided in
10 section 35(a), and amendments thereto.

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

20 New Sec. 8. In the event any school district is paid more than it is
21 entitled to receive under any distribution made under this act or under any
22 statute repealed by this act, the state board shall notify the school district
23 of the amount of such overpayment, and such school district shall remit the
24 same to the state board. The state board shall remit any moneys so
25 received to the state treasurer in accordance with the provisions of K.S.A.
26 75-4215, and amendments thereto. Upon receipt of each such remittance,
27 the state treasurer shall deposit the entire amount in the state treasury to
28 the credit of the state school district finance fund. If any school district
29 fails to remit, the state board shall deduct the excess amounts paid from
30 future payments becoming due to the school district. In the event any
31 school district is paid less than the amount it is to receive under any
32 distribution made under this act, the state board shall pay the additional
33 amount due at any time within the school year in which the underpayment
34 was made or within 60 days after the end of such school year.

35 New Sec. 9. On or before October 10 of each school year, the clerk or
36 superintendent of each school district shall certify under oath to the state
37 board a report showing the total enrollment of the school district by grades
38 maintained in the schools of the school district and such other reports as
39 the state board may require. Each such report shall show postsecondary
40 education enrollment, career technical education enrollment, special
41 education enrollment, bilingual education enrollment, at-risk student
42 enrollment and virtual school enrollment in such detail and form as is
43 specified by the state board. Upon receipt of such reports, the state board

1 shall examine the reports and if the state board finds any errors in any such
2 report, the state board shall consult with the school district officer
3 furnishing the report and make any necessary corrections in the report. On
4 or before August 25 of each year, each such clerk or superintendent shall
5 also certify to the state board a copy of the budget adopted by the school
6 district.

7 New Sec. 10. (a) In each school year, the state board shall determine
8 the enrollment of each school district by adding the number of students
9 regularly enrolled in the school district on September 20 and the number
10 of students regularly enrolled in the school district on February 20, and
11 dividing the resulting sum by two.

12 (b) In each school year, the state board of education shall determine
13 the foundation enrollment of each school district as follows:

14 (1) Determine the enrollment of the school district for the
15 immediately preceding school year;

16 (2) subtract the enrollment of the school district for the second
17 preceding school year from the enrollment of the school district for the
18 immediately preceding school year, and multiply the resulting difference
19 by three;

20 (3) subtract the enrollment of the school district for the third
21 preceding school year from the enrollment of the school district for the
22 second preceding school year, and multiply the resulting difference by
23 two;

24 (4) subtract the enrollment of the school district for the fourth
25 preceding school year from the enrollment of the school district for the
26 third preceding school year;

27 (5) add the numbers determined under subsections (b)(2), (b)(3) and
28 (b)(4), and divide the resulting sum by six;

29 (6) add the number determined under subsection (b)(1) and the
30 quotient determined under subsection (b)(5). The resulting sum is the
31 foundation enrollment of the school district for the current school year,
32 except that in no event shall the foundation enrollment be less than 95% of
33 the enrollment of the school district in the immediately preceding school
34 year.

35 New Sec. 11. Whenever a new school district has been established or
36 the boundaries of a school district have been changed, the state board shall
37 make appropriate revisions concerning the affected school districts as may
38 be necessary for the purposes of this act to reflect such establishment of a
39 school district or changes in boundaries. Such revisions shall be based on
40 the most reliable data obtainable from the superintendent of the school
41 district and the county clerk.

42 New Sec. 12. (a) (1) For the purposes of this act, the total foundation
43 aid for any school district formed by consolidation in accordance with the

1 statutory provisions contained in article 87 of chapter 72 of the Kansas
2 Statutes Annotated, and amendments thereto, shall be computed by the
3 state board by determining the amount of the total foundation aid each of
4 the former school districts that comprise the consolidated school district
5 received in the school year preceding the date the consolidation was
6 completed, and calculating the sum of such amounts. The sum is the total
7 foundation aid of the consolidated school district for the school year in
8 which the consolidation was completed.

9 (2) If any of the former school districts had an enrollment of less than
10 150 students in the school year preceding the consolidation, the total
11 foundation aid of the newly consolidated school district for the two school
12 years following the school year in which the consolidation was completed
13 shall be the greater of: (A) The amount received in the school year in
14 which the consolidation was completed; or (B) the amount the school
15 district would receive under this act.

16 (3) If all of the former school districts had an enrollment of at least
17 150 students, but any had less than 200 students in the school year
18 preceding the consolidation, the total foundation aid of the newly
19 consolidated school district for the three school years following the school
20 year in which the consolidation was completed shall be the greater of: (A)
21 The amount received in the school year in which the consolidation was
22 completed; or (B) the amount the school district would receive under this
23 act.

24 (4) If all of the former school districts had an enrollment of 200 or
25 more students in the school year preceding the consolidation, the total
26 foundation aid of the newly consolidated school district for the four school
27 years following the school year in which the consolidation was completed
28 shall be the greater of: (A) The amount received in the school year in
29 which the consolidation was completed; or (B) the amount the school
30 district would receive under this act.

31 (5) If the consolidation involved the consolidation of three or more
32 school districts, regardless of the number of students enrolled in the school
33 districts, the total foundation aid of the newly consolidated school district
34 for the four school years following the school year in which the
35 consolidation was completed shall be the greater of: (A) The amount
36 received in the school year in which the consolidation was completed; or
37 (B) the amount the school district would receive under this act.

38 (b) (1) The provisions of this subsection shall apply to school districts
39 that have been enlarged by the attachment of territory pursuant to the
40 procedure established in article 73 of chapter 72 of the Kansas Statutes
41 Annotated, and amendments thereto.

42 (2) For the purposes of this act, the total foundation aid for any
43 school district to which this subsection applies shall be computed by the

1 state board of education as follows: (A) Determine the amount of the total
2 foundation aid each of the former school districts that comprise the
3 enlarged school district received in the school year preceding the date the
4 attachment was completed; and (B) add the amounts determined under
5 subparagraph (A). The sum is the total foundation aid of the enlarged
6 school district for the school year in which the attachment is completed.

7 (3) If any of the former school districts had an enrollment of less than
8 150 students in the school year preceding the attachment, the total
9 foundation aid of the enlarged school district for the two school years
10 following the school year in which the attachment was completed shall be
11 the greater of: (A) The amount received in the school year in which the
12 attachment was completed; or (B) the amount the school district would
13 receive under this act.

14 (4) If all of the former school districts had an enrollment of at least
15 150 students, but any had less than 200 students in the school year
16 preceding the attachment, the total foundation aid of the enlarged school
17 district for the three school years following the school year in which the
18 attachment was completed shall be the greater of: (A) The amount
19 received in the school year in which the attachment was completed; or (B)
20 the amount the school district would receive under this act.

21 (5) If all of the former school districts had an enrollment of 200 or
22 more students in the school year preceding the attachment, the total
23 foundation aid of the enlarged school district for the four school years
24 following the school year in which the attachment was completed shall be
25 the greater of: (A) The amount received in the school year in which the
26 attachment was completed; or (B) the amount the school district would
27 receive under this act.

28 (6) If three or more school districts, regardless of the number of
29 students enrolled in the school districts, are disorganized and attached to a
30 single school district, the total foundation aid of the enlarged school
31 district for the four school years following the school year in which the
32 attachment was completed shall be the greater of: (A) The amount
33 received in the school year in which the attachment was completed; or (B)
34 the amount the school district would receive under this act.

35 (7) Except as specifically provided by this paragraph for the
36 allocation of total foundation aid among school districts, the provisions of
37 paragraphs (1) through (6) shall be applicable to school districts to which
38 this paragraph applies. If a school district is disorganized in accordance
39 with article 73 of chapter 72 of the Kansas Statutes Annotated, and
40 amendments thereto, and the territory of such school district is attached to
41 more than one school district, the total foundation aid for each school
42 district to which any territory from the disorganized school district is
43 attached, shall be computed by the state board as follows: (A) Determine

1 the amount of total foundation aid received by the former school district in
2 the school year preceding the date the disorganization and attachment was
3 completed; (B) determine the amount of total foundation aid received by
4 the enlarged school district in the school year preceding the date the
5 disorganization and attachment was completed; (C) determine the assessed
6 valuation of the former school district in the school year preceding the date
7 the disorganization and attachment was completed; (D) determine the
8 assessed valuation of the territory attached to each enlarged school district;
9 (E) allocate the amount of the total foundation aid received by the former
10 school district in the school year preceding the date the disorganization
11 and attachment was completed to each of the enlarged school districts in
12 the same proportion the assessed valuation of the territory attached to each
13 school district bears to the assessed valuation of the former school district;
14 and (F) add the amounts determined under subparagraphs (B) and (E). The
15 sum is the total foundation aid of the enlarged school district for the school
16 year in which the attachment is completed.

17 New Sec. 13. (a) The board of education of each school district shall
18 levy an ad valorem tax upon the taxable tangible property of the school
19 district in the school years specified in subsection (b) for the purpose of:

20 (1) Financing that portion of the school district's general fund budget
21 that is not financed from any other source provided by law;

22 (2) paying a portion of the costs of operating and maintaining public
23 schools in partial fulfillment of the constitutional obligation of the
24 legislature to finance the educational interests of the state; and

25 (3) with respect to any redevelopment school district established prior
26 to July 1, 1997, pursuant to K.S.A. 12-1771, and amendments thereto,
27 paying a portion of the principal and interest on bonds issued by cities
28 under authority of K.S.A. 12-1774, and amendments thereto, for the
29 financing of redevelopment projects upon property located within the
30 school district.

31 (b) The tax required under subsection (a) shall be levied at a rate of
32 20 mills in the school years 2017-2018 and 2018-2019.

33 (c) The proceeds from the tax levied by a district under authority of
34 this section, except the proceeds of such tax levied for the purpose
35 described in subsection (a)(3), shall be remitted to the state treasurer in
36 accordance with the provisions of K.S.A. 75-4215, and amendments
37 thereto. Upon receipt of each such remittance, the state treasurer shall
38 deposit the entire amount in the state treasury to the credit of the state
39 school district finance fund.

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

42 New Sec. 14. (a) In each school year, the board of education of each
43 school district shall adopt a local foundation budget by resolution. Except

1 as provided in subsection (b), the local foundation budget shall be
2 determined by multiplying the school district's total foundation aid by
3 0.20. The resulting product is the local foundation budget of the school
4 district.

5 (b) For any school year in which 20% of the BASE aid equals an
6 amount that is less than \$1,150, the local foundation budget shall be
7 determined by multiplying the adjusted enrollment of the school district by
8 \$1,150.

9 (c) (1) Of the moneys deposited in or otherwise credited to the
10 supplemental general fund of a school district pursuant to sections 16 and
11 17, and amendments thereto, that are attributable to the local foundation
12 budget of such school district, an amount that is proportional to that
13 amount of such school district's total foundation aid attributable to the at-
14 risk student weighting as compared to such district's total foundation aid
15 shall be transferred to the at-risk education fund of such school district and
16 shall be expended in accordance with section 29, and amendments thereto.

17 (2) Of the moneys deposited in or otherwise credited to the
18 supplemental general fund of a school district pursuant to sections 16 and
19 17, and amendments thereto, that are attributable to the local foundation
20 budget of such school district, an amount that is proportional to that
21 amount of such school district's total foundation aid attributable to the
22 bilingual weighting as compared to such district's total foundation aid shall
23 be transferred to the bilingual education fund of such school district and
24 shall be expended in accordance with K.S.A. 2016 Supp. 72-9509, and
25 amendments thereto.

26 New Sec. 15. (a) In each school year, the board of education of a
27 school district may adopt, by resolution, a local enhancement budget that
28 does not exceed 5% of the total foundation aid of such school district.

29 (b) A resolution adopting a local enhancement budget shall require a
30 majority vote of the members of the board, and shall be effective upon
31 adoption and shall require no other procedure, authorization or approval.

32 (c) Unless specifically stated otherwise in the resolution, the authority
33 to adopt a local enhancement budget shall be continuous and permanent.
34 The board of education may choose not to adopt such a local enhancement
35 budget or may adopt a local enhancement budget in an amount less than
36 the amount authorized. If the board, whose authority to adopt a local
37 enhancement budget is not continuous and permanent, refrains from
38 adopting a local enhancement budget, the authority of such board to adopt
39 a local enhancement budget shall not be extended by such refrainment
40 beyond the period specified in the resolution authorizing adoption of such
41 local enhancement budget.

42 (d) The board of education may initiate procedures to renew or
43 increase the authority to adopt a local enhancement budget at any time

1 during a school year after the tax levied pursuant to section 16, and
2 amendments thereto, is certified to the county clerk under any existing
3 authorization.

4 (e) Any resolution adopted pursuant to this section may revoke or
5 repeal any resolution previously adopted by the board. If the resolution
6 does not revoke or repeal previously adopted resolutions, all resolutions
7 which are in effect shall expire on the same date. The maximum amount of
8 the local enhancement budget of a school district under all resolutions in
9 effect shall not exceed 5% of the total foundation aid of such school
10 district in any school year.

11 New Sec. 16. (a) The board of education of each school district shall
12 levy an ad valorem tax on the taxable tangible property of the school
13 district in the school years specified in section 13(b), and amendments
14 thereto, for the purposes of:

15 (1) Financing that portion of the school district's local foundation
16 budget that is not financed from any other source provided by law;

17 (2) financing that portion of the school district's local enhancement
18 budget, if any, that is not financed from any other source provided by law;

19 (3) paying a portion of the costs of operating and maintaining public
20 schools in partial fulfillment of the constitutional obligation of the
21 legislature to finance the educational interests of the state; and

22 (4) paying a portion of the principal and interest on bonds issued by
23 cities under authority of K.S.A. 12-1774, and amendments thereto, for the
24 financing of redevelopment projects upon property located within the
25 school district.

26 (b) The proceeds from the tax levied by a school district under
27 authority of this section, except the proceeds of such tax levied for the
28 purpose described in subsection (a)(4), shall be deposited in the
29 supplemental general fund of the school district.

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

32 New Sec. 17. (a) Except as provided by section 18, and amendments
33 thereto, each school year the state board shall determine the amount of
34 supplemental state aid for each school district as follows:

35 (1) Determine the amount of the assessed valuation per student in the
36 preceding school year of each school district;

37 (2) rank the school districts from low to high on the basis of the
38 amounts of assessed valuation per student determined under subsection (a)
39 (1);

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

42 (4) divide the assessed valuation per student of the school district as
43 determined under subsection (a)(1) by the amount identified under

1 subsection (a)(3); and

2 (5) (A) if the quotient obtained under subsection (a)(4) equals or
3 exceeds one, the school district shall not receive supplemental state aid; or

4 (B) if the quotient obtained under subsection (a)(4) is less than one,
5 subtract the quotient obtained under subsection (a)(4) from one, and
6 multiply the difference by the aggregate amount of the local foundation
7 budget and the local enhancement budget of the school district. The
8 resulting product is the amount of supplemental state aid the school district
9 is to receive for the school year.

10 (b) If the amount of appropriations for supplemental state aid is less
11 than the aggregate amount all school districts are to receive for the school
12 year, the state board shall prorate the amount appropriated among the
13 school districts in proportion to the amount each school district is to
14 receive.

15 (c) Payments of supplemental state aid shall be distributed to school
16 districts on the dates prescribed by the state board. The state board shall
17 certify to the director of accounts and reports the amount due each school
18 district, and the director of accounts and reports shall draw a warrant on
19 the state treasurer payable to the treasurer of the school district. Upon
20 receipt of the warrant, the treasurer of the school district shall credit the
21 amount thereof to the supplemental general fund of the school district to
22 be used for the purposes of such fund.

23 (d) For the purposes of determining the total amount of state moneys
24 paid to school districts, all moneys appropriated as supplemental state aid
25 shall be deemed to be state moneys for educational and support services
26 for school districts.

27 New Sec. 18. (a) (1) For the purposes of determining the amount of
28 supplemental state aid, the state board shall determine the ranking of each
29 of the former school districts of which the school district is composed as
30 required by section 17(a)(2), and amendments thereto, for the school year
31 prior to the effectuation of the consolidation or attachment.

32 (2) For the school year in which the consolidation or attachment is
33 effectuated and the next succeeding two school years, the ranking of the
34 school district for the purposes of section 17(a)(2), and amendments
35 thereto, shall be the ranking of the school district receiving the highest
36 amount of supplemental state aid determined under subsection (a)(1).

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

39 (c) As used in this section, "school district" means: (1) Any school
40 district formed by consolidation in accordance with article 87 of chapter
41 72 of the Kansas Statutes Annotated, and amendments thereto; or (2) any
42 school district formed by disorganization and attachment in accordance
43 with article 73 of chapter 72 of the Kansas Statutes Annotated, and

1 amendments thereto, if all the territory which comprised a disorganized
2 school district is attached to a single school district.

3 New Sec. 19. (a) There is hereby established in each school district a
4 supplemental general fund, which shall consist of all moneys deposited
5 therein or credited thereto according to law.

6 (b) Subject to the limitations imposed under subsection (c), moneys
7 in the supplemental general fund may be expended for any purpose for
8 which expenditures from the general fund are authorized or may be
9 transferred to any categorical fund of the school district.

10 (c) Moneys in the supplemental general fund shall not be expended
11 for the purpose of making payments under any lease-purchase agreement
12 involving the acquisition of land or buildings that is entered into pursuant
13 to the provisions of K.S.A. 72-8225, and amendments thereto.

14 (d) (1) Except as provided in subsection (d)(2), any unexpended
15 moneys remaining in the supplemental general fund of a school district at
16 the conclusion of any school year in which a local enhancement budget is
17 adopted shall be maintained in such fund.

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

28 New Sec. 20. (a) Each school year, the board of education of a school
29 district may adopt a local activities budget by resolution. A local activities
30 budget shall not exceed 4% of the local activities budget computation
31 factor for the school district for the current school year as determined by
32 the state board under subsection (d).

33 (b) (1) The adoption of a resolution pursuant to this subsection shall
34 require a majority vote of the members of the board. The resolution shall
35 be published at least once in a newspaper having general circulation in the
36 school district, and shall be in substantial compliance with the following
37 form:

38 Unified School District No. _____,
39 _____ County, Kansas.

40 RESOLUTION

41 Be It Resolved that:

42 The board of education of the above-named school district shall be
43 authorized to adopt a local activities budget in each school year in an

1 amount not to exceed ___% of the local activities budget computation
2 factor for the school district for the current school year.

3 CERTIFICATE

4 This is to certify that the above resolution was duly adopted by the
5 board of education of Unified School District No. _____, _____ County,
6 Kansas, on the _____ day of _____, _____.

7 _____
8 Clerk of the board of education.

9 (2) All of the blanks in the resolution shall be filled appropriately.
10 The blank preceding the percentage symbol shall be filled with a specific
11 number. The percentage specified in the resolution shall not exceed 4%.

12 (c) Except as provided in subsection (d), a resolution adopted
13 pursuant to this section shall not be effective unless it is submitted to and
14 approved by a majority of the qualified electors of the school district
15 voting on the question at an election thereon. If the resolution is not
16 approved by a majority of the voters voting on the question at the election
17 thereon, no like resolution shall be adopted by the board within the nine
18 months following publication of the resolution. Any election called
19 pursuant to this section shall be noticed, called and held in the manner
20 provided by K.S.A. 10-120, and amendments thereto, for the noticing,
21 calling and holding of elections upon the question of issuing bonds under
22 the general bond law. Such election may be conducted in the manner
23 provided by the mail ballot act.

24 (d) If a school district was authorized to adopt a local option budget
25 in excess of 30% of such district's state financial aid for school year 2016-
26 2017 pursuant to K.S.A. 2016 Supp. 72-6471, prior to its expiration, then
27 any resolution adopted under this section shall be effective for school year
28 2017-2018 upon approval by a majority of the members of the board of
29 such district.

30 (e) Unless specifically stated otherwise in the resolution, the authority
31 to adopt a local activities budget shall be continuous and permanent. The
32 board of education of a school district may elect to not adopt a local
33 activities budget, or adopt such a budget in an amount less than that stated
34 in the resolution. If an initial resolution has been adopted under this
35 subsection, and such resolution specified a percentage less than the
36 percentage allowed under subsection (a), the board of education of the
37 school district may adopt one or more subsequent resolutions under the
38 same procedure as provided for the initial resolution, subject to the same
39 conditions. Any percentage specified in a subsequent resolution or in
40 subsequent resolutions shall be limited so that the sum of the percentage
41 authorized in the initial resolution and the percentage authorized in any
42 subsequent resolution is not in excess of 4% of the budget computation
43 factor for the district for the current school year.

1 (f) Each school year, the state board shall determine the local
2 activities budget computation factor for each school district as follows:

3 (1) Determine the enrollment of the school district in the immediately
4 preceding school year; and

5 (2) multiply the number determined under subsection (g)(1) by the
6 BASE aid. The resulting product is the local activities budget computation
7 factor of the school district for the current school year.

8 New Sec. 21. (a) The board of education of a school district that has
9 adopted a local activities budget may levy an ad valorem tax on the taxable
10 tangible property of the school district for the following purposes:

11 (1) Financing that portion of the school district's local activities
12 budget that is not financed from any other source provided by law; and

13 (2) paying a portion of the principal and interest on bonds issued by
14 cities under authority of K.S.A. 12-1774, and amendments thereto, for the
15 financing of redevelopment projects upon property located within the
16 district.

17 (b) The proceeds from the tax levied by a district under authority of
18 this section, except the proceeds of such tax levied for the purpose
19 described in subsection (a)(2), shall be deposited in the local activities
20 fund of the district.

21 New Sec. 22. (a) Each school district that levies a tax pursuant to
22 section 21, and amendments thereto, shall receive activities state aid in an
23 amount determined by the state board as follows:

24 (1) Determine the amount of the assessed valuation per student of
25 each school district in the state for the preceding school year and round
26 such amount to the nearest \$1,000. The rounded amount is the assessed
27 valuation per student of a school district for the purposes of this section;

28 (2) determine the median assessed valuation per student of all school
29 districts;

30 (3) prepare a schedule of dollar amounts using the amount of the
31 median assessed valuation per student of all school districts as the point of
32 beginning. The schedule of dollar amounts shall range upward in equal
33 \$1,000 intervals from the point of beginning to and including an amount
34 that is equal to the amount of the assessed valuation per student of the
35 school district with the highest assessed valuation per student of all school
36 districts and shall range downward in equal \$1,000 intervals from the point
37 of beginning to and including an amount that is equal to the amount of the
38 assessed valuation per student of the school district with the lowest
39 assessed valuation per student of all school districts;

40 (4) determine a state aid percentage factor for each school district by
41 assigning a state aid computation percentage to the amount of the median
42 assessed valuation per student shown on the schedule, decreasing the state
43 aid computation percentage assigned to the amount of the median assessed

1 valuation per student by one percentage point for each \$1,000 interval
2 above the amount of the median assessed valuation per student, and
3 increasing the state aid computation percentage assigned to the amount of
4 the median assessed valuation per student by one percentage point for each
5 \$1,000 interval below the amount of the median assessed valuation per
6 student. The state aid percentage factor of a school district is the
7 percentage assigned to the schedule amount that is equal to the amount of
8 the assessed valuation per student of the school district, except that the
9 state aid percentage factor of a school district shall not exceed 100%. The
10 state aid computation percentage is 25%;

11 (5) determine the amount levied by each school district pursuant to
12 section 21, and amendments thereto; and

13 (6) multiply the amount computed under subsection (a)(5) by the
14 applicable state aid percentage factor. The resulting product is the amount
15 of activities state aid the school district is to receive for the school year.

16 (b) If the amount of appropriations for activities state aid is less than
17 the aggregate amount all school districts are to receive for the school year,
18 the state board shall prorate the amount appropriated among the school
19 districts in proportion to the amount each school district is to receive.

20 (c) Payments of activities state aid shall be distributed to school
21 districts on the dates prescribed by the state board. The state board shall
22 certify to the director of accounts and reports the amount due each school
23 district, and the director of accounts and reports shall draw a warrant on
24 the state treasurer payable to the treasurer of the school district. Upon
25 receipt of the warrant, the treasurer of the school district shall credit the
26 amount thereof to the local activities fund of the school district to be used
27 for the purposes of such fund.

28 New Sec. 23. (a) There is hereby established in every school district
29 that adopts a local activities budget a local activities fund, which shall
30 consist of all moneys deposited therein or credited thereto according to
31 law.

32 (b) Except as provided by subsection (c), moneys in the local
33 activities fund may be expended for any purpose for which expenditures
34 from the general fund are authorized or may be transferred to the general
35 fund of the school district or to any categorical fund of the school district.

36 (c) For school year 2018-2019 and each school year thereafter,
37 moneys in the local activities fund shall not be expended or transferred to
38 the general fund of the school district for the purpose of funding the cost
39 of providing the subjects or areas of instruction required by state law to be
40 provided in accredited schools, including reasonable and necessary related
41 instruction, administration, support staff, supplies, equipment and building
42 costs.

43 (d) Any balance remaining in the local activities fund at the end of

1 the school year shall be carried forward into that fund for succeeding
2 school years. Such fund shall not be subject to the provisions of K.S.A. 79-
3 2925 through 79-2937, and amendments thereto. In preparing the local
4 activities budget of such school district, the amounts credited to and the
5 amount on hand in the local activities fund, and the amount expended
6 therefrom shall be included in the annual local activities fund budget.
7 Interest earned on the investment of moneys in any such fund shall be
8 credited to that fund.

9 New Sec. 24. (a) The transportation weighting of each school district
10 shall be determined by the state board as follows:

11 (1) Determine the total expenditures of the school district during the
12 preceding school year from all funds for transporting students of public
13 and nonpublic schools on regular school routes;

14 (2) determine the sum of: (A) The number of students who were
15 included in the enrollment of the school district in the preceding school
16 year who resided less than $2\frac{1}{2}$ miles by the usually traveled road from the
17 school building such students attended and for whom transportation was
18 made available by the school district; and (B) the number of nonresident
19 students who were included in the enrollment of the school district for the
20 preceding school year and for whom transportation was made available by
21 the school district;

22 (3) determine the number of students who were included in the
23 enrollment of the district in the preceding school year who resided $2\frac{1}{2}$
24 miles or more by the usually traveled road from the school building such
25 students attended and for whom transportation was made available by the
26 school district;

27 (4) multiply the number of students determined under subsection (a)
28 (3) by 2.2;

29 (5) divide the amount determined under subsection (a)(2) by the
30 product obtained under subsection (a)(4);

31 (6) add one to the quotient obtained under subsection (a)(5);

32 (7) multiply the sum obtained under subsection (a)(6) by the amount
33 determined under subsection (a)(3);

34 (8) divide the amount determined under subsection (a)(1) by the
35 product obtained under subsection (a)(7). The resulting quotient is the per-
36 student cost of transportation;

37 (9) on a density-cost graph, plot the per-student cost of transportation
38 for each school district;

39 (10) construct a curve of best fit for the points so plotted;

40 (11) locate the index of density for the school district on the base line
41 of the density-cost graph and from the point on the curve of best fit
42 directly above this point of index of density follow a line parallel to the
43 base line to the point of intersection with the vertical line, which point is

1 the formula per-student cost of transportation of the school district;

2 (12) divide the formula per-student cost of transportation of the
3 school district by the BASE aid;

4 (13) multiply the quotient obtained under subsection (a)(12) by the
5 number of students who are included in the enrollment of the school
6 district, are residing 2½ miles or more by the usually traveled road to the
7 school building they attend, and for whom transportation is being made
8 available by, and at the expense of, the district. The product is the
9 transportation weighting of the school district.

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

15 (c) As used in this section:

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

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

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

31 New Sec. 25. The low enrollment weighting of each school district
32 shall be determined by the state board as follows:

33 (a) For school districts with an enrollment of 1,622 or more, the low
34 enrollment weighting shall be 0;

35 (b) for school districts with an enrollment of less than 100, the low
36 enrollment weighting shall be equal to the low enrollment weighting of a
37 school district with an enrollment of 100;

38 (c) for school districts with an enrollment of less than 1,622 and more
39 than 99, the low enrollment weighting shall be determined as follows:

40 (1) Determine the low enrollment weighting for such school districts
41 for school year 2004-2005 pursuant to K.S.A. 72-6412, prior to its repeal;

42 (2) multiply the low enrollment weighting of each school district
43 determined under subsection (c)(1) by 3,863;

- 1 (3) add 3,863 to the product obtained under subsection (c)(2);
- 2 (4) divide the sum obtained under subsection (c)(3) by 4,107; and
- 3 (5) subtract 1.03504 from the quotient obtained under subsection (c)
- 4 (4). The difference shall be the low enrollment weighting of the school
- 5 district.

6 New Sec. 26. (a) The bilingual weighting of each school district shall
7 be determined by the state board as follows:

8 (1) Determine the full-time equivalent enrollment in approved
9 programs of bilingual education during the preceding school year and
10 multiply such enrollment by 0.361;

11 (2) determine the number of students enrolled in approved programs
12 of bilingual education during the preceding school year and multiply such
13 enrollment by 0.1; and

14 (3) the bilingual weighting shall be either the amount determined
15 under subsection (a)(1) or (a)(2), whichever is greater.

16 (b) A student shall be counted as enrolled in a bilingual education
17 program for not more than five school years.

18 New Sec. 27. (a) The at-risk student weighting of each school district
19 shall be determined by the state board as follows:

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

22 (2) multiply the number determined under subsection (a)(1) by 0.456.
23 The resulting sum is the at-risk student weighting of the school district.

24 (b) The high-density at-risk student weighting of each school district
25 shall be determined by the state board as follows:

26 (1) (A) Determine if the enrollment of the school district exceeds
27 3,000 students;

28 (B) determine if the enrollment of the school district is at least 60%
29 at-risk students;

30 (C) if the school district's enrollment satisfies the requirements of
31 subsections (b)(1) (A) and (b)(1)(B), the state board shall:

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

34 (ii) multiply the number determined under subsection (b)(3)(A) by
35 0.105. The resulting product is the high-density at-risk student weighting
36 of the school district.

37 (2) If the school district does not satisfy the requirements of
38 subsections (b)(1)(A) and (b)(1)(B), but has an enrollment of at least 2,500
39 students, and an enrollment of at least 50% at-risk students, the state board
40 shall:

41 (A) Subtract 1,250 from the number of at-risk students enrolled in the
42 school district;

43 (B) divide the difference determined under subsection (b)(2)(A) by

1 1,800;

2 (C) multiply the product determined under subsection (b)(2)(B) by
3 0.105. The resulting sum is the high-density at-risk student weighting of
4 the school district, except in no event shall a school district's high-density
5 at-risk student weighting exceed 0.105.

6 New Sec. 28. (a) If a student submits an application for free meals
7 under the national school lunch act on or before the date on which the
8 enrollment of the school district is calculated and it is later determined by
9 the school district or the department of education that the student should
10 not have been eligible for free meals, the school district or the department
11 shall notify the state board of such determination. Except as provided in
12 subsection (b), upon receipt of such notice, the state board shall recompute
13 the adjusted enrollment of the school district and the general fund budget
14 of the school district based on the adjusted enrollment of the school district
15 excluding the at-risk student weighting and high density at-risk student
16 weighting, if any, assigned to such student.

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

25 New Sec. 29. (a) There is hereby established in every school district
26 an at-risk education fund, which shall consist of all moneys deposited
27 therein or transferred thereto according to law. The expenses of a school
28 district directly attributable to providing at-risk student assistance or
29 programs shall be paid from the at-risk education fund.

30 (b) Any balance remaining in the at-risk education fund at the end of
31 the budget year shall be carried forward into the at-risk education fund for
32 succeeding budget years. Such fund shall not be subject to the provisions
33 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
34 the budget of such school district, the amounts credited to and the amount
35 on hand in the at-risk education fund, and the amount expended therefrom
36 shall be included in the annual budget for the information of the residents
37 of the school district.

38 (c) Expenditures from the at-risk education fund of a school district
39 shall only be made for the following purposes:

- 40 (1) At-risk educational programs approved by the state board;
41 (2) personnel providing educational services in conjunction with such
42 programs; and
43 (3) services contracted for by the school district to provide at-risk

1 educational programs.

2 (d) Each year the board of education of each school district shall
3 prepare and submit to the state board a report on the at-risk student
4 assistance or programs provided by the school district. Such report shall
5 include the number of students who were served or provided assistance,
6 the type of service provided, the research upon which the school district
7 relied in determining that a need for service or assistance existed, the
8 results of providing such service or assistance and any other information
9 required by the state board.

10 (e) In order to achieve uniform reporting of the number of students
11 provided service or assistance by school districts in at-risk student
12 programs, school districts shall report the number of students served or
13 assisted in the manner required by the state board.

14 New Sec. 30. The special education and related services weighting of
15 each school district shall be determined by the state board as follows:

16 (a) Add the amount of payments received by the school district under
17 the provisions of K.S.A. 72-979, and amendments thereto, to the amount
18 of any grants received by the school district under the provisions of K.S.A.
19 72-983, and amendments thereto; and

20 (2) divide the sum obtained under subsection (a) by the BASE aid.
21 The resulting quotient is the special education and related services
22 weighting of the school district.

23 New Sec. 31. (a) (1) The board of education of a school district to
24 which the provisions of this section apply may levy an ad valorem tax on
25 the taxable tangible property of the school district each year for a period of
26 time not to exceed two years in an amount not to exceed the amount
27 authorized by the state board of tax appeals under this subsection for the
28 purpose of financing the costs incurred by the state that are directly
29 attributable to assignment of new school facilities cost weighting to the
30 foundation enrollment of the school district. The state board of tax appeals
31 may authorize the school district to make a levy that will produce an
32 amount that is not greater than the difference between the amount of costs
33 directly attributable to commencing operation of one or more new school
34 facilities and the amount that is financed from any other source provided
35 by law for such purpose. If the school district is not eligible, or will be
36 ineligible, for new school facilities cost weighting in any one or more
37 years during the two-year period for which the school district is authorized
38 to levy a tax under this subsection, the state board of tax appeals may
39 authorize the school district to make a levy, in such year or years of
40 ineligibility, that will produce an amount that is not greater than the actual
41 amount of costs attributable to commencing operation of the facility or
42 facilities.

43 (2) The state board of tax appeals shall certify to the state board the

1 amount authorized to be produced by the levy of a tax under this
2 subsection.

3 (3) The state board of tax appeals may adopt rules and regulations
4 necessary to effectuate the provisions of this subsection, including rules
5 and regulations relating to the evidence required in support of a school
6 district's claim that the costs attributable to commencing operation of one
7 or more new school facilities are in excess of the amount that is financed
8 from any other source provided by law for such purpose.

9 (b) The board of education of a school district that has levied an ad
10 valorem tax on the taxable tangible property of the school district each
11 year for a period of two years under authority of subsection (a) may
12 continue to levy such tax under authority of this subsection each year for
13 an additional period of time not to exceed six years in an amount not to
14 exceed the amount computed by the state board as provided in this
15 subsection if the board of the school district determines that the costs
16 attributable to commencing operation of one or more new school facilities
17 are significantly greater than the costs attributable to the operation of other
18 school facilities in the school district. The tax authorized under this
19 subsection may be levied at a rate that will produce an amount that is not
20 greater than the amount computed by the state board as provided in this
21 subsection. In computing such amount, the state board shall:

22 (1) Determine the amount produced by the tax levied by the school
23 district under authority of subsection (a) in the second year for which such
24 tax was levied and add to such amount the amount of state foundation aid
25 directly attributable to new school facilities cost weighting that was
26 received by the school district in the same year;

27 (2) compute 90% of the amount of the sum obtained under subsection
28 (b)(1), which computed amount is the amount the school district may levy
29 in the first year of the six-year period for which the school district may
30 levy a tax under authority of this subsection;

31 (3) compute 75% of the amount of the sum obtained under subsection
32 (b)(1), which computed amount is the amount the school district may levy
33 in the second year of the six-year period for which the school district may
34 levy a tax under authority of this subsection;

35 (4) compute 60% of the amount of the sum obtained under subsection
36 (b)(1), which computed amount is the amount the school district may levy
37 in the third year of the six-year period for which the school district may
38 levy a tax under authority of this subsection;

39 (5) compute 45% of the amount of the sum obtained under subsection
40 (b)(1), which computed amount is the amount the school district may levy
41 in the fourth year of the six-year period for which the school district may
42 levy a tax under authority of this subsection;

43 (6) compute 30% of the amount of the sum obtained under subsection

1 (b)(1), which computed amount is the amount the school district may levy
2 in the fifth year of the six-year period for which the school district may
3 levy a tax under authority of this subsection; and

4 (7) compute 15% of the amount of the sum obtained under subsection
5 (b)(1), which computed amount is the amount the school district may levy
6 in the sixth year of the six-year period for which the school district may
7 levy a tax under authority of this subsection.

8 In determining the amount produced by the tax levied by the school
9 district under authority of subsection (a), the state board shall include any
10 moneys apportioned to the new school facilities fund of the school district
11 from taxes levied under the provisions of K.S.A. 79-5101 et seq. and 79-
12 5118 et seq., and amendments thereto.

13 (c) The proceeds from any tax levied by a school district under
14 authority of this section shall be remitted to the state treasurer in
15 accordance with the provisions of K.S.A. 75-4215, and amendments
16 thereto. Upon receipt of each such remittance, the state treasurer shall
17 deposit the entire amount in the state treasury to the credit of the state
18 school district finance fund.

19 (d) The new school facilities cost weighting may be assigned to the
20 enrollment of a school district only if the school district has levied a tax
21 under the authority of subsection (a), and remitted the proceeds from such
22 tax to the state treasurer. The new school facilities cost weighting of each
23 school district shall be determined in each school year in which such
24 weighting may be assigned to the foundation enrollment of the school
25 district as follows:

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

30 (2) divide the sum obtained under subsection (d)(1) by the BASE aid.
31 The resulting quotient is the new school facilities cost weighting of the
32 school district.

33 (e) The provisions of this section apply to any school district that:

34 (1) Commenced operation of one or more new school facilities in the
35 school year preceding the current school year or has commenced or will
36 commence operation of one or more new school facilities in the current
37 school year;

38 (2) adopted a local enhancement budget; and

39 (3) is experiencing extraordinary enrollment growth as determined by
40 the state board.

41 New Sec. 32. (a) Subject to subsection (b), the board of education of
42 a school district may levy a tax on the taxable tangible property within the
43 school district for the purpose of financing the costs incurred by the state

1 that are attributable directly to assignment of the cost-of-living weighting
2 to the foundation enrollment of the school district.

3 (b) The state board shall determine whether a school district may levy
4 a tax under this section as follows:

5 (1) Determine the statewide average appraised value of single family
6 residences for the calendar year preceding the current school year;

7 (2) multiply the amount determined under subsection (b)(1) by 1.25;

8 (3) determine the average appraised value of single family residences
9 in each school district for the calendar year preceding the current school
10 year; and

11 (4) subtract the amount determined under subsection (b)(2) from the
12 amount determined under subsection (b)(3). If the amount determined for
13 the school district is a positive number and the school district has adopted
14 a local enhancement budget in an amount equal to at least 5% of the total
15 foundation aid for the school district, the school district qualifies for
16 assignment of cost-of-living weighting and may levy a tax on the taxable
17 tangible property of the school district for the purpose of financing the
18 costs that are attributable directly to assignment of the cost-of-living
19 weighting to the foundation enrollment of the school district.

20 (c) (1) No tax may be levied under this section unless the board of
21 education adopts a resolution authorizing such a tax levy and publishes the
22 resolution at least once in a newspaper having general circulation in the
23 school district. Except as provided by subsection (e), the resolution shall
24 be published in substantial compliance with the following form:

25 Unified School District No. _____,
26 _____ County, Kansas.

27 RESOLUTION

28 Be It Resolved that:

29 The board of education of the above-named school district shall be
30 authorized to levy an ad valorem tax in an amount not to exceed the
31 amount necessary to finance the costs attributable directly to the
32 assignment of cost-of-living weighting to the enrollment of the school
33 district. The ad valorem tax authorized by this resolution may be levied
34 unless a petition in opposition to the same, signed by not less than 5% of
35 the qualified electors of the school district, is filed with the county election
36 officer of the home county of the school district within 30 days after the
37 publication of this resolution. If a petition is filed, the county election
38 officer shall submit the question of whether the levy of such a tax shall be
39 authorized in accordance with the provisions of this resolution to the
40 electors of the school district at the next general election of the school
41 district, as is specified by the board of education of the school district.

42 CERTIFICATE

43 This is to certify that the above resolution was duly adopted by the

1 board of education of Unified School District No. _____,
2 County, Kansas, on the ____ day of _____, (year)____.

3
4 _____
Clerk of the board of education.

5 (2) All of the blanks in the resolution shall be filled appropriately. If
6 no petition as specified above is filed in accordance with the provisions of
7 the resolution, the resolution authorizing the ad valorem tax levy shall
8 become effective. If a petition is filed as provided in the resolution, the
9 board may notify the county election officer to submit the question of
10 whether such tax levy shall be authorized. If the board fails to notify the
11 county election officer within 30 days after a petition is filed, the
12 resolution shall be deemed abandoned and of no force and effect and no
13 like resolution shall be adopted by the board within the nine months
14 following publication of the resolution. If a majority of the votes cast in an
15 election conducted pursuant to this provision is in favor of the resolution,
16 such resolution shall be effective on the date of such election. If a majority
17 of the votes cast is not in favor of the resolution, the resolution shall be
18 deemed of no force and effect and no like resolution shall be adopted by
19 the board within the nine months following such election.

20 (d) There is hereby established in every school district a cost-of-
21 living fund, which shall consist of all moneys deposited therein or
22 transferred thereto in accordance with law. All moneys derived from a tax
23 imposed pursuant to this section shall be credited to the cost-of-living
24 fund. The proceeds from the tax levied by a school district credited to the
25 cost-of-living fund shall be remitted to the state treasurer in accordance
26 with the provisions of K.S.A. 75-4215, and amendments thereto. Upon
27 receipt of each such remittance, the state treasurer shall deposit the entire
28 amount in the state treasury to the credit of the state school district finance
29 fund.

30 (e) In determining the amount produced by the tax levied by the
31 school district under the authority of this section, the state board shall
32 include any moneys apportioned to the cost-of-living fund of the school
33 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
34 and 79-5118 et seq., and amendments thereto.

35 (f) The cost-of-living weighting of a school district shall be
36 determined by the state board in each school year in which such weighting
37 may be assigned to the foundation enrollment of the school district as
38 follows:

39 (1) Divide the amount determined under subsection (b)(4) by the
40 amount determined under subsection (b)(2);

41 (2) multiply the quotient determined under subsection (f)(1) by 0.095;

42 (3) multiply the school district's total foundation aid for the current
43 school year, excluding the amount determined under this provision, by the

1 lesser of the product determined under subsection (f)(2) or 0.05; and

2 (4) divide the product determined under subsection (f)(3) by the
3 BASE aid for the current school year. The quotient is the cost-of-living
4 weighting of the school district.

5 New Sec. 33. (a) (1) (A) The board of education of a school district
6 may levy an ad valorem tax on the taxable tangible property of the school
7 district each year for a period of time not to exceed two years, unless
8 authority to make such levy is renewed by the state board of tax appeals, in
9 an amount not to exceed the amount authorized by the state board of tax
10 appeals under this section for the purpose of financing the costs incurred
11 by the state that are directly attributable to assignment of declining
12 enrollment weighting to the foundation enrollment of the school district.
13 The state board of tax appeals may authorize the school district to make a
14 levy that will produce an amount that is not greater than the amount of
15 revenues lost as a result of the declining enrollment of the school district.
16 Such amount shall not exceed 5% of the general fund budget of the school
17 district in the school year in which the school district applies to the state
18 board of tax appeals for authority to make a levy pursuant to this
19 subsection. The state board of tax appeals may renew the authority to
20 make such levy for periods of time not to exceed two years.

21 (B) For school year 2017-2018, as an alternative to the authority
22 provided in subsection (a)(1)(A), if a school district was authorized to
23 make a levy pursuant to K.S.A. 72-6451, prior to its repeal, in school year
24 2006-2007, such school district shall remain authorized to make a levy at a
25 rate necessary to generate revenue equal to $\frac{1}{2}$ of the amount that was
26 generated in school year 2007-2008.

27 (2) The state board of tax appeals shall certify to the state board the
28 amount authorized to be produced by the levy of a tax under this section.

29 (3) The state board shall prescribe guidelines for the data that school
30 districts shall include in cases before the state board of tax appeals
31 pursuant to this section. The state board shall provide to the state board of
32 tax appeals such school data and information requested by the state board
33 of tax appeals and any other information deemed necessary by the state
34 board.

35 (b) There is hereby established in every school district a declining
36 enrollment fund, which shall consist of all moneys deposited therein or
37 transferred thereto according to law. The proceeds from the tax levied by a
38 school district under authority of this section shall be credited to the
39 declining enrollment fund of the school district. The proceeds from the tax
40 levied by a school district credited to the declining enrollment fund shall
41 be remitted to the state treasurer in accordance with the provisions of
42 K.S.A. 75-4215, and amendments thereto. Upon receipt of each such
43 remittance, the state treasurer shall deposit the entire amount in the state

1 treasury to the credit of the state school district finance fund.

2 (c) In determining the amount produced by the tax levied by the
3 school district under authority of this section, the state board shall include
4 any moneys apportioned to the declining enrollment fund of the school
5 district from taxes levied under the provisions of K.S.A. 79-5101 et seq.
6 and 79-5118 et seq., and amendments thereto.

7 (d) The declining enrollment weighting of a school district shall be
8 determined by the state board in each school year in which such weighting
9 may be assigned to the foundation enrollment of the school district. The
10 state board shall divide the amount certified under subsection (a)(2) by the
11 BASE aid. The resulting quotient is the declining enrollment weighting of
12 the school district.

13 (e) As used in this section:

14 (1) "Declining enrollment" means an enrollment that has declined in
15 amount from that of the preceding school year.

16 (2) "School district" means a school district that: (A) Has a declining
17 enrollment; and (B) has adopted a local option budget in an amount that
18 equals at least 5% of the total foundation aid for the school district at the
19 time the school district applies to the state board of tax appeals for
20 authority to make a levy pursuant to this section.

21 (f) The provisions of this section shall expire on July 1, 2018.

22 New Sec. 34. For the purpose of determining the general fund budget
23 of a school district, weightings shall not be assigned to a student enrolled
24 in and attending KAMS. Moneys in the general fund that are attributable
25 to a student enrolled in and attending KAMS shall not be included in the
26 computation of the local enhancement budget of the school district.

27 New Sec. 35. (a) There is hereby established in every school district a
28 career and postsecondary education fund, which shall consist of all
29 moneys deposited therein or transferred thereto according to law. All
30 moneys received by a school district for any course or program authorized
31 and approved under the provisions of article 44 of chapter 72 of the
32 Kansas Statutes Annotated, and amendments thereto, except for courses
33 and programs conducted in an area vocational school, shall be credited to
34 the career and postsecondary education fund. All moneys received by the
35 school district from tuition, fees or charges or from any other source for
36 career technical education courses or programs, except for courses and
37 programs conducted in an area vocational school, shall be credited to the
38 career and postsecondary education fund. All moneys received by the
39 school district from tuition, fees or charges or from any other source for
40 postsecondary education courses or programs shall be credited to the
41 career and postsecondary education fund.

42 (b) Expenditures made by a school district that are directly
43 attributable to the following shall be paid from the career and

1 postsecondary education fund:

2 (1) Career technical education;

3 (2) postsecondary education courses; and

4 (3) courses provided through distance-learning technology.

5 (c) Any balance remaining in the career technical education fund at
6 the end of the budget year shall be carried forward into the career technical
7 education fund for succeeding budget years. Such fund shall not be subject
8 to the provisions of K.S.A. 79-2925 through 79-2937, and amendments
9 thereto. In preparing the budget of such school district, the amounts
10 credited to and the amount on hand in the career technical education fund,
11 and the amount expended therefrom shall be included in the annual budget
12 for the information of the residents of the school district.

13 New Sec. 36. There is hereby established in every school district a
14 driver training fund, which shall consist of all moneys deposited therein or
15 transferred thereto according to law. All moneys received by the school
16 district from distributions made from the state safety fund and the
17 motorcycle safety fund and from tuition, fees or charges for driver training
18 courses shall be credited to the driver training fund. The expenses of a
19 school district directly attributable to driver training shall be paid from the
20 driver training fund.

21 New Sec. 37. There is hereby established in every school district a
22 food service fund, which shall consist of all moneys deposited therein or
23 transferred thereto according to law. All moneys received by the school
24 district for food service and from charges for food service shall be credited
25 to the food service fund. The expenses of a school district attributable to
26 food service shall be paid from the food service fund.

27 New Sec. 38. There is hereby established in every school district a
28 contingency reserve fund, which shall consist of all moneys deposited
29 therein or transferred thereto according to law. The fund shall be
30 maintained for payment of expenses of a school district attributable to
31 financial contingencies as determined by the board.

32 New Sec. 39. (a) Except as otherwise provided in this section, any
33 revenues of a school district, not required by law to be deposited in or
34 credited to a specific fund, shall be deposited in or credited to any
35 categorical fund of the school district or to the capital outlay fund of the
36 school district.

37 (b) At the discretion of the board of education of a school district,
38 revenues earned from the investment of an activity fund of the school
39 district in accordance with the provisions of K.S.A. 12-1675, and
40 amendments thereto, may be deposited in or credited to such activity fund.

41 (c) (1) At the discretion of the board and subject to subsection (c)(2),
42 any revenues specified in subsections (a) and (b) may be deposited in or
43 credited to the general fund of the school district in any school year for

1 which the allotment system authorized under K.S.A. 75-3722, and
2 amendments thereto, has been inaugurated and applied to appropriations
3 made for state foundation aid, or in any school year for which any portion
4 of the appropriations made for state foundation aid are lapsed by an act of
5 the legislature.

6 (2) In no event may the amount of revenues deposited in or credited
7 to the general fund of the school district under authority of subsection (c)
8 (1) exceed an amount equal to the amount of the reduction in state
9 foundation aid paid to the school district determined by the state board to
10 be the result of application of the allotment system to the appropriations
11 made for state foundation aid or of the lapse of any portion thereof by an
12 act of the legislature.

13 (d) At the discretion of the board, revenues received by the school
14 district from the federal government as the school district's share of the
15 proceeds derived from sale by the federal government of its rights to oil,
16 gas and other minerals located beneath the surface of lands within the
17 school district's boundaries may be deposited in the bond and interest fund
18 of the school district and used for the purposes of such fund. If at any time
19 all indebtedness and obligations of such fund have been fully paid and
20 canceled, the revenues authorized by this subsection to be deposited in
21 such fund shall be disposed of as provided in subsection (a).

22 (e) To the extent that K.S.A. 72-1623, 72-8804 and 79-2958, and
23 amendments thereto, conflict with this section, this section shall control.

24 New Sec. 40. (a) Any lawful transfer of moneys from the general
25 fund of a school district to any other fund shall be an operating expense in
26 the year the transfer is made. The board of education of a school district
27 may transfer moneys from the general fund to any categorical fund of the
28 school district in any school year.

29 (b) The board may transfer moneys from the general fund to the
30 contingency reserve fund of the school district, subject to any limitations
31 imposed upon the amount authorized to be maintained in the contingency
32 reserve fund.

33 (c) The board may transfer moneys from the general fund to the:

34 (1) Capital outlay fund;

35 (2) special reserve fund;

36 (3) special liability expense fund; and

37 (4) textbook and student materials revolving fund.

38 (d) In each school year, the board may transfer to its general fund
39 from any fund to which transfers from the general fund are authorized an
40 amount not to exceed an amount equal to the amount transferred from the
41 general fund to any such fund in the same school year.

42 New Sec. 41. Expenditures of a school district for the following
43 purposes are not operating expenses:

1 (a) Payments to another school district in an adjustment of rights as
2 provided in K.S.A. 72-6776, and amendments thereto, or upon transfer of
3 territory as provided in K.S.A. 72-7105, 72-7106 or 72-7107, and
4 amendments thereto, if paid from any fund other than the general fund;

5 (b) payments to another school district under K.S.A. 72-7105a, and
6 amendments thereto;

7 (c) the maintenance of student activities that are reimbursed;

8 (d) expenditures from any lawfully authorized fund of a school
9 district other than its general fund;

10 (e) the provision of educational services for students residing at the
11 Flint Hills job corps center, students housed at a psychiatric residential
12 treatment facility or students confined in a juvenile detention facility for
13 which the school district is reimbursed by a grant of state moneys as
14 provided in K.S.A. 72-8187, and amendments thereto; and

15 (f) programs financed, in part or in whole, by federal funds that may
16 be expended although not included in the budget of the school district,
17 excluding funds received under the provisions of title I of public law 874,
18 but not including in such exclusion amounts received for assistance in
19 cases of major disaster and amounts received under the low-rent housing
20 program, to the extent of the federal funds to be provided.

21 New Sec. 42. If in any school year a school district expends an
22 amount for operating expenses that exceeds its general fund budget, the
23 state board shall determine the excess and deduct the same from amounts
24 of state foundation aid payable to the school district during the next
25 succeeding school year.

26 New Sec. 43. (a) In order to accomplish the mission for Kansas
27 education, the state board shall design and adopt a school district
28 accreditation system based upon improvement in performance that reflects
29 high academic standards and is measurable. On or before January 15,
30 2018, and each January 15 thereafter, the state board shall prepare and
31 submit a report on the school district accreditation system to the governor
32 and the legislature.

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

39 (c) The state board shall provide for statewide assessments in the core
40 academic areas of mathematics, science, reading, writing and social
41 studies. The board shall ensure compatibility between the statewide
42 assessments and the curriculum standards established pursuant to
43 subsection (b). Such assessments shall be administered at three grade

1 levels, as determined by the state board. The state board shall determine
2 performance levels on the statewide assessments, the achievement of
3 which represents high academic standards in the academic area at the
4 grade level to which the assessment applies. The state board should specify
5 high academic standards both for individual performance and school
6 performance on the assessments.

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

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

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

35 New Sec. 44. The legislative post audit committee shall direct the
36 legislative division of post audit to conduct the following performance
37 audits in the fiscal year specified:

38 (a) A performance audit of transportation services funding. The audit
39 should include a comparison of the amount of transportation services
40 funding school districts receive to the cost of providing transportation
41 services. This performance audit shall be conducted during fiscal year
42 2019, and the final audit report shall be submitted to the legislature on or
43 before January 15, 2019.

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

8 (c) A performance audit of bilingual education funding. The audit
9 should evaluate the method of counting students for bilingual education
10 funding, the level of the bilingual weighting under the act and how school
11 districts are expending moneys provided for bilingual education. This
12 performance audit shall be conducted during fiscal year 2023, and the final
13 audit report shall be submitted to the legislature on or before January 15,
14 2023.

15 (d) A performance audit of career technical education funding. The
16 audit should include a comparison of the amount of career technical
17 education funding received by school districts to the cost of providing
18 career technical education. This performance audit shall be conducted
19 during fiscal year 2025, and the final audit report shall be submitted to the
20 legislature on or before January 15, 2025.

21 (e) A performance audit to identify best practices in successful
22 schools. The audit should include a comparison of the educational methods
23 and other practices of demographically similar school districts that achieve
24 significantly different student outcomes. This performance audit shall be
25 conducted during fiscal year 2020, and the final audit report shall be
26 submitted to the legislature on or before January 15, 2020. The audit shall
27 be conducted a second time during fiscal year 2024, and the final audit
28 report shall be submitted to the legislature on or before January 15, 2024.

29 (f) A performance audit to assess school districts' progress in
30 reducing the disparities in student outcomes among demographic
31 subgroups of students. This performance audit shall be conducted during
32 fiscal year 2022, and the final audit report shall be submitted to the
33 legislature on or before January 15, 2022. The audit shall be conducted a
34 second time during fiscal year 2026, and the final audit report shall be
35 submitted to the legislature on or before January 15, 2026.

36 New Sec. 45. The state board may adopt rules and regulations for the
37 administration of this act, including the classification of expenditures of
38 school districts to ensure uniform reporting of operating expenses.

39 New Sec. 46. The provisions of the Kansas school equity and
40 enhancement act, section 3 et seq., and amendments thereto, shall not be
41 severable. If any provision of the Kansas school equity and enhancement
42 act, section 3 et seq., and amendments thereto, is held to be invalid or
43 unconstitutional by court order, all provisions of the Kansas school equity

1 and enhancement act, section 3 et seq., and amendments thereto, shall be
2 null and void.

3 New Sec. 47. (a) There is hereby established in the state treasury the
4 school district capital outlay state aid fund. Such fund shall consist of all
5 moneys transferred thereto under the provisions of subsection (d).

6 (b) Each school district that levies a tax pursuant to K.S.A. 72-8801
7 et seq., and amendments thereto, shall receive payment from the school
8 district capital outlay state aid fund in an amount determined by the state
9 board of education as provided in this section.

10 (c) The state board shall:

11 (1) Determine the amount of the assessed valuation per student of
12 each school district in the state for the preceding school year and round
13 such amount to the nearest \$1,000. The rounded amount is the assessed
14 valuation per student of a school district for the purposes of this
15 subsection;

16 (2) determine the median assessed valuation per student of all school
17 districts;

18 (3) prepare a schedule of dollar amounts using the amount of the
19 median assessed valuation per student of all school districts as the point of
20 beginning. The schedule of dollar amounts shall range upward in equal
21 \$1,000 intervals from the point of beginning to and including an amount
22 that is equal to the amount of the assessed valuation per student of the
23 school district with the highest assessed valuation per student of all school
24 districts and shall range downward in equal \$1,000 intervals from the point
25 of beginning to and including an amount that is equal to the amount of the
26 assessed valuation per student of the school district with the lowest
27 assessed valuation per student of all school districts;

28 (4) determine a state aid percentage factor for each school district by
29 assigning a state aid computation percentage to the amount of the median
30 assessed valuation per student shown on the schedule, decreasing the state
31 aid computation percentage assigned to the amount of the median assessed
32 valuation per student by one percentage point for each \$1,000 interval
33 above the amount of the median assessed valuation per student, and
34 increasing the state aid computation percentage assigned to the amount of
35 the median assessed valuation per student by one percentage point for each
36 \$1,000 interval below the amount of the median assessed valuation per
37 student. The state aid percentage factor of a school district is the
38 percentage assigned to the schedule amount that is equal to the amount of
39 the assessed valuation per student of the school district, except that the
40 state aid percentage factor of a school district shall not exceed 100%. The
41 state aid computation percentage is 25%;

42 (5) determine the amount levied by each school district pursuant to
43 K.S.A. 72-8801 et seq., and amendments thereto; and

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

5 (d) The state board shall certify to the director of accounts and reports
6 the amount of school district capital outlay state aid determined under the
7 provisions of subsection (c), and an amount equal thereto shall be
8 transferred by the director from the state general fund to the school district
9 capital outlay state aid fund for distribution to school districts. All transfers
10 made in accordance with the provisions of this subsection shall be
11 considered to be demand transfers from the state general fund.

12 (e) Payments from the school district capital outlay state aid fund
13 shall be distributed to school districts at times determined by the state
14 board of education. The state board of education shall certify to the
15 director of accounts and reports the amount due each school district, and
16 the director of accounts and reports shall draw a warrant on the state
17 treasury payable to the treasurer of the school district. Upon receipt of the
18 warrant, the treasurer of the school district shall credit the amount thereof
19 to the capital outlay fund of the school district to be used for the purposes
20 of such fund.

21 Sec. 48. K.S.A. 2016 Supp. 10-1116a is hereby amended to read as
22 follows: 10-1116a. The limitations on expenditures imposed under the
23 cash-basis law shall not apply to:

24 (a) Expenditures in excess of current revenues made for municipally
25 owned and operated utilities out of the fund of such utilities caused by, or
26 resulting from the meeting of, extraordinary emergencies including
27 drought emergencies. In such cases expenditures in excess of current
28 revenues may be made by declaring an extraordinary emergency by
29 resolution adopted by the governing body and such resolution shall be
30 published at least once in a newspaper of general circulation in such city.
31 Thereupon, such governing body may issue interest bearing no-fund
32 warrants on such utility fund in an amount, including outstanding
33 previously issued no-fund warrants, not to exceed 25% of the revenues
34 from sales of service of such utility for the preceding year. Such warrants
35 shall be redeemed within three years from date of issuance and shall bear
36 interest at a rate of not to exceed the maximum rate of interest prescribed
37 by K.S.A. 10-1009, and amendments thereto. Upon the declaration of a
38 drought emergency, the governing body may issue such warrants for water
39 system improvement purposes in an amount not to exceed 50% of the
40 revenue received from the sale of water for the preceding year. Such
41 warrants shall be redeemed within five years from the date of issuance and
42 shall bear interest at a rate not to exceed the maximum rate of interest
43 prescribed by K.S.A. 10-1009, and amendments thereto.

1 (b) Expenditures in any month by school districts which are in excess
 2 of current revenues if the deficit or shortage in revenues is caused by, or a
 3 result of, the payment of state aid after the date prescribed for the payment
 4 of state aid during such month under ~~K.S.A. 2016 Supp. 72-6466~~ *section*
 5 *7*, and amendments thereto.

6 Sec. 49. K.S.A. 2016 Supp. 12-1677 is hereby amended to read as
 7 follows: 12-1677. (a) Except as otherwise required by state or federal law,
 8 all moneys earned and collected from investments by counties, area
 9 vocational-technical schools and quasi-municipal corporations authorized
 10 in this act shall be credited to the general fund of such county, area
 11 vocational-technical school or quasi-municipal corporation by the treasurer
 12 thereof, and all moneys earned and collected from investments by school
 13 districts authorized in this act shall be credited ~~to the general fund of the~~
 14 ~~school district~~ *in accordance with the provisions of section 39, and*
 15 *amendments thereto.*

16 (b) The treasurer of each county, school district, area vocational-
 17 technical school or quasi-municipal corporation shall maintain a complete
 18 record of all investments authorized in this act and shall make a quarterly
 19 written report of such record to the governing body of such county, school
 20 district, area vocational-technical school or quasi-municipal corporation.

21 Sec. 50. K.S.A. 2016 Supp. 12-1770a is hereby amended to read as
 22 follows: 12-1770a. As used in this act, the following words and phrases
 23 shall have the following meanings unless a different meaning clearly
 24 appears from the content:

25 (a) "Auto race track facility" means: (1) An auto race track facility
 26 and facilities directly related and necessary to the operation of an auto race
 27 track facility, including, but not limited to, grandstands, suites and viewing
 28 areas, concessions, souvenir facilities, catering facilities, visitor and retail
 29 centers, signage and temporary hospitality facilities, but excluding (2)
 30 hotels, motels, restaurants and retail facilities, not directly related to or
 31 necessary to the operation of such facility.

32 (b) "Base year assessed valuation" means the assessed valuation of all
 33 real property within the boundaries of a redevelopment district on the date
 34 the redevelopment district was established.

35 (c) "Blighted area" means an area which:

36 (1) Because of the presence of a majority of the following factors,
 37 substantially impairs or arrests the development and growth of the
 38 municipality or constitutes an economic or social liability or is a menace to
 39 the public health, safety, morals or welfare in its present condition and use:

- 40 (A) A substantial number of deteriorated or deteriorating structures;
- 41 (B) predominance of defective or inadequate street layout;
- 42 (C) unsanitary or unsafe conditions;
- 43 (D) deterioration of site improvements;

- 1 (E) tax or special assessment delinquency exceeding the fair market
2 value of the real property;
- 3 (F) defective or unusual conditions of title including, but not limited
4 to, cloudy or defective titles, multiple or unknown ownership interests to
5 the property;
- 6 (G) improper subdivision or obsolete platting or land uses;
- 7 (H) the existence of conditions which endanger life or property by
8 fire or other causes; or
- 9 (I) conditions which create economic obsolescence;
- 10 (2) has been identified by any state or federal environmental agency
11 as being environmentally contaminated to an extent that requires a
12 remedial investigation; feasibility study and remediation or other similar
13 state or federal action;
- 14 (3) a majority of the property is a 100-year floodplain area; or
- 15 (4) previously was found by resolution of the governing body to be a
16 slum or a blighted area under K.S.A. 17-4742 et seq., and amendments
17 thereto.
- 18 (d) "Conservation area" means any improved area comprising 15% or
19 less of the land area within the corporate limits of a city in which 50% or
20 more of the structures in the area have an age of 35 years or more, which
21 area is not yet blighted, but may become a blighted area due to the
22 existence of a combination of two or more of the following factors:
- 23 (1) Dilapidation, obsolescence or deterioration of the structures;
- 24 (2) illegal use of individual structures;
- 25 (3) the presence of structures below minimum code standards;
- 26 (4) building abandonment;
- 27 (5) excessive vacancies;
- 28 (6) overcrowding of structures and community facilities; or
- 29 (7) inadequate utilities and infrastructure.
- 30 (e) "De minimus" means an amount less than 15% of the land area
31 within a redevelopment district.
- 32 (f) "Developer" means any person, firm, corporation, partnership or
33 limited liability company, other than a city and other than an agency,
34 political subdivision or instrumentality of the state or a county when
35 relating to a bioscience development district.
- 36 (g) "Eligible area" means a blighted area, conservation area,
37 enterprise zone, intermodal transportation area, major tourism area or a
38 major commercial entertainment and tourism area, bioscience
39 development area or a building or buildings which are 65 years of age or
40 older and any contiguous vacant or condemned lots.
- 41 (h) "Enterprise zone" means an area within a city that was designated
42 as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107
43 through 12-17,113, and amendments thereto, prior to its repeal and the

1 conservation, development or redevelopment of the area is necessary to
2 promote the general and economic welfare of such city.

3 (i) "Environmental increment" means the increment determined
4 pursuant to K.S.A. 12-1771a(b), and amendments thereto.

5 (j) "Environmentally contaminated area" means an area of land
6 having contaminated groundwater or soil which is deemed
7 environmentally contaminated by the department of health and
8 environment or the United States environmental protection agency.

9 (k) (1) "Feasibility study" means:

10 (A) A study which shows whether a redevelopment project's or
11 bioscience development project's benefits and tax increment revenue and
12 other available revenues under K.S.A. 12-1774(a)(1), and amendments
13 thereto, are expected to exceed or be sufficient to pay for the
14 redevelopment or bioscience development project costs; and

15 (B) the effect, if any, the redevelopment project costs or bioscience
16 development project will have on any outstanding special obligation bonds
17 payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and
18 amendments thereto.

19 (2) For a redevelopment project or bioscience project financed by
20 bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D), and
21 amendments thereto, the feasibility study must also include:

22 (A) A statement of how the taxes obtained from the project will
23 contribute significantly to the economic development of the jurisdiction in
24 which the project is located;

25 (B) a statement concerning whether a portion of the local sales and
26 use taxes are pledged to other uses and are unavailable as revenue for the
27 redevelopment project. If a portion of local sales and use taxes is so
28 committed, the applicant shall describe the following:

29 (i) The percentage of sales and use taxes collected that are so
30 committed; and

31 (ii) the date or dates on which the local sales and use taxes pledged to
32 other uses can be pledged for repayment of special obligation bonds;

33 (C) an anticipated principal and interest payment schedule on the
34 bonds;

35 (D) following approval of the redevelopment plan, the feasibility
36 study shall be supplemented to include a copy of the minutes of the
37 governing body meeting or meetings of any city whose bonding authority
38 will be utilized in the project, evidencing that a redevelopment plan has
39 been created, discussed, and adopted by the city in a regularly scheduled
40 open public meeting; and

41 (E) the failure to include all information enumerated in this
42 subsection in the feasibility study for a redevelopment or bioscience
43 project shall not affect the validity of bonds issued pursuant to this act.

1 (l) "Major tourism area" means an area for which the secretary has
2 made a finding the capital improvements costing not less than
3 \$100,000,000 will be built in the state to construct an auto race track
4 facility.

5 (m) "Real property taxes" means all taxes levied on an ad valorem
6 basis upon land and improvements thereon, except that when relating to a
7 bioscience development district, as defined in this section, "real property
8 taxes" does not include property taxes levied ~~for schools; by school~~
9 ~~districts pursuant to K.S.A. 2016 Supp. 72-6470 section 13, and~~
10 amendments thereto.

11 (n) "Redevelopment project area" means an area designated by a city
12 within a redevelopment district or, if the redevelopment district is
13 established for an intermodal transportation area, an area designated by a
14 city within or outside of the redevelopment district.

15 (o) "Redevelopment project costs" means: (1) Those costs necessary
16 to implement a redevelopment project plan or a bioscience development
17 project plan, including costs incurred for:

- 18 (A) Acquisition of property within the redevelopment project area;
- 19 (B) payment of relocation assistance pursuant to a relocation
20 assistance plan as provided in K.S.A. 12-1777, and amendments thereto;
- 21 (C) site preparation including utility relocations;
- 22 (D) sanitary and storm sewers and lift stations;
- 23 (E) drainage conduits, channels, levees and river walk canal facilities;
- 24 (F) street grading, paving, graveling, macadamizing, curbing,
25 guttering and surfacing;
- 26 (G) street light fixtures, connection and facilities;
- 27 (H) underground gas, water, heating and electrical services and
28 connections located within the public right-of-way;
- 29 (I) sidewalks and pedestrian underpasses or overpasses;
- 30 (J) drives and driveway approaches located within the public right-of-
31 way;
- 32 (K) water mains and extensions;
- 33 (L) plazas and arcades;
- 34 (M) major multi-sport athletic complex;
- 35 (N) museum facility;
- 36 (O) parking facilities including multilevel parking facilities;
- 37 (P) landscaping and plantings, fountains, shelters, benches,
38 sculptures, lighting, decorations and similar amenities;
- 39 (Q) related expenses to redevelop and finance the redevelopment
40 project;
- 41 (R) for purposes of an incubator project, such costs shall also include
42 wet lab equipment including hoods, lab tables, heavy water equipment and
43 all such other equipment found to be necessary or appropriate for a

1 commercial incubator wet lab facility by the city in its resolution
2 establishing such redevelopment district or a bioscience development
3 district;

4 (S) costs for the acquisition of land for and the construction and
5 installation of publicly-owned infrastructure improvements which serve an
6 intermodal transportation area and are located outside of a redevelopment
7 district; and

8 (T) costs for infrastructure located outside the redevelopment district
9 but contiguous to any portion of the redevelopment district and such
10 infrastructure is necessary for the implementation of the redevelopment
11 plan as determined by the city.

12 (2) Redevelopment project costs shall not include: (A) Costs incurred
13 in connection with the construction of buildings or other structures to be
14 owned by or leased to a developer, however, the "redevelopment project
15 costs" shall include costs incurred in connection with the construction of
16 buildings or other structures to be owned or leased to a developer which
17 includes an auto race track facility or a multilevel parking facility.

18 (B) In addition, for a redevelopment project financed with special
19 obligation bonds payable from the revenues described in K.S.A. 12-
20 1774(a)(1)(D), and amendments thereto, redevelopment project costs shall
21 not include:

22 (i) Fees and commissions paid to developers, real estate agents,
23 financial advisors or any other consultants who represent the developers or
24 any other businesses considering locating in or located in a redevelopment
25 district;

26 (ii) salaries for local government employees;

27 (iii) moving expenses for employees of the businesses locating within
28 the redevelopment district;

29 (iv) property taxes for businesses that locate in the redevelopment
30 district;

31 (v) lobbying costs;

32 (vi) a bond origination fee charged by the city pursuant to K.S.A. 12-
33 1742, and amendments thereto;

34 (vii) any personal property, as defined in K.S.A. 79-102, and
35 amendments thereto; and

36 (viii) travel, entertainment and hospitality.

37 (p) "Redevelopment district" means the specific area declared to be
38 an eligible area in which the city may develop one or more redevelopment
39 projects.

40 (q) "Redevelopment district plan" or "district plan" means the
41 preliminary plan that identifies all of the proposed redevelopment project
42 areas and identifies in a general manner all of the buildings, facilities and
43 improvements in each that are proposed to be constructed or improved in

1 each redevelopment project area or, if the redevelopment district is
2 established for an intermodal transportation area, in or outside of the
3 redevelopment district.

4 (r) "Redevelopment project" means the approved project to
5 implement a project plan for the development of the established
6 redevelopment district.

7 (s) "Redevelopment project plan" means the plan adopted by a
8 municipality for the development of a redevelopment project or projects
9 which conforms with K.S.A. 12-1772, and amendments thereto, in a
10 redevelopment district.

11 (t) "Substantial change" means, as applicable, a change wherein the
12 proposed plan or plans differ substantially from the intended purpose for
13 which the district plan or project plan was approved.

14 (u) "Tax increment" means that amount of real property taxes
15 collected from real property located within the redevelopment district that
16 is in excess of the amount of real property taxes which is collected from
17 the base year assessed valuation.

18 (v) "Taxing subdivision" means the county, city, unified school
19 district and any other taxing subdivision levying real property taxes, the
20 territory or jurisdiction of which includes any currently existing or
21 subsequently created redevelopment district including a bioscience
22 development district.

23 (w) "River walk canal facilities" means a canal and related water
24 features which flows through a redevelopment district and facilities related
25 or contiguous thereto, including, but not limited to pedestrian walkways
26 and promenades, landscaping and parking facilities.

27 (x) "Major commercial entertainment and tourism area" may include,
28 but not be limited to, a major multi-sport athletic complex.

29 (y) "Major multi-sport athletic complex" means an athletic complex
30 that is utilized for the training of athletes, the practice of athletic teams, the
31 playing of athletic games or the hosting of events. Such project may
32 include playing fields, parking lots and other developments including
33 grandstands, suites and viewing areas, concessions, souvenir facilities,
34 catering facilities, visitor centers, signage and temporary hospitality
35 facilities, but excluding hotels, motels, restaurants and retail facilities, not
36 directly related to or necessary to the operation of such facility.

37 (z) "Bioscience" means the use of compositions, methods and
38 organisms in cellular and molecular research, development and
39 manufacturing processes for such diverse areas as pharmaceuticals,
40 medical therapeutics, medical diagnostics, medical devices, medical
41 instruments, biochemistry, microbiology, veterinary medicine, plant
42 biology, agriculture, industrial environmental and homeland security
43 applications of bioscience and future developments in the biosciences.

- 1 Bioscience includes biotechnology and life sciences.
- 2 (aa) "Bioscience development area" means an area that:
- 3 (1) Is or shall be owned, operated, or leased by, or otherwise under
- 4 the control of the Kansas bioscience authority;
- 5 (2) is or shall be used and maintained by a bioscience company; or
- 6 (3) includes a bioscience facility.
- 7 (bb) "Bioscience development district" means the specific area,
- 8 created under K.S.A. 12-1771, and amendments thereto, where one or
- 9 more bioscience development projects may be undertaken.
- 10 (cc) "Bioscience development project" means an approved project to
- 11 implement a project plan in a bioscience development district.
- 12 (dd) "Bioscience development project plan" means the plan adopted
- 13 by the authority for a bioscience development project pursuant to K.S.A.
- 14 12-1772, and amendments thereto, in a bioscience development district.
- 15 (ee) "Bioscience facility" means real property and all improvements
- 16 thereof used to conduct bioscience research, including, without limitation,
- 17 laboratory space, incubator space, office space and any and all facilities
- 18 directly related and necessary to the operation of a bioscience facility.
- 19 (ff) "Bioscience project area" means an area designated by the
- 20 authority within a bioscience development district.
- 21 (gg) "Biotechnology" means those fields focusing on technological
- 22 developments in such areas as molecular biology, genetic engineering,
- 23 genomics, proteomics, physiomics, nanotechnology, biodefense,
- 24 biocomputing, bioinformatics and future developments associated with
- 25 biotechnology.
- 26 (hh) "Board" means the board of directors of the Kansas bioscience
- 27 authority.
- 28 (ii) "Life sciences" means the areas of medical sciences,
- 29 pharmaceutical sciences, biological sciences, zoology, botany, horticulture,
- 30 ecology, toxicology, organic chemistry, physical chemistry, physiology and
- 31 any future advances associated with life sciences.
- 32 (jj) "Revenue increase" means that amount of real property taxes
- 33 collected from real property located within the bioscience development
- 34 district that is in excess of the amount of real property taxes which is
- 35 collected from the base year assessed valuation.
- 36 (kk) "Taxpayer" means a person, corporation, limited liability
- 37 company, S corporation, partnership, registered limited liability
- 38 partnership, foundation, association, nonprofit entity, sole proprietorship,
- 39 business trust, group or other entity that is subject to the Kansas income
- 40 tax act, K.S.A. 79-3201 et seq., and amendments thereto.
- 41 (ll) "Floodplain increment" means the increment determined pursuant
- 42 to K.S.A. 2016 Supp. 12-1771e(b), and amendments thereto.
- 43 (mm) "100-year floodplain area" means an area of land existing in a

1 100-year floodplain as determined by either an engineering study of a
2 Kansas certified engineer or by the United States federal emergency
3 management agency.

4 (nn) "Major motorsports complex" means a complex in Shawnee
5 county that is utilized for the hosting of competitions involving motor
6 vehicles, including, but not limited to, automobiles, motorcycles or other
7 self-propelled vehicles other than a motorized bicycle or motorized
8 wheelchair. Such project may include racetracks, all facilities directly
9 related and necessary to the operation of a motorsports complex,
10 including, but not limited to, parking lots, grandstands, suites and viewing
11 areas, concessions, souvenir facilities, catering facilities, visitor and retail
12 centers, signage and temporary hospitality facilities, but excluding hotels,
13 motels, restaurants and retail facilities not directly related to or necessary
14 to the operation of such facility.

15 (oo) "Intermodal transportation area" means an area of not less than
16 800 acres to be developed primarily to handle the transfer, storage and
17 distribution of freight through railway and trucking operations.

18 (pp) "Museum facility" means a separate newly-constructed museum
19 building and facilities directly related and necessary to the operation
20 thereof, including gift shops and restaurant facilities, but excluding hotels,
21 motels, restaurants and retail facilities not directly related to or necessary
22 to the operation of such facility. The museum facility shall be owned by
23 the state, a city, county, other political subdivision of the state or a non-
24 profit corporation, shall be managed by the state, a city, county, other
25 political subdivision of the state or a non-profit corporation and may not
26 be leased to any developer and shall not be located within any retail or
27 commercial building.

28 Sec. 51. K.S.A. 2016 Supp. 12-1775a is hereby amended to read as
29 follows: 12-1775a. (a) Prior to December 31, 1996, the governing body of
30 each city which, pursuant to K.S.A. 12-1771, and amendments thereto, has
31 established a redevelopment district prior to July 1, 1996, shall certify to
32 the director of accounts and reports the amount equal to the amount of
33 revenue realized from ad valorem taxes imposed pursuant to ~~K.S.A. 2016~~
34 ~~Supp. 72-6470~~ *section 13*, and amendments thereto, within such
35 redevelopment district. Prior to February 1, 1997, and annually on that
36 date thereafter, the governing body of each such city shall certify to the
37 director of accounts and reports an amount equal to the amount by which
38 revenues realized from such ad valorem taxes imposed in such
39 redevelopment district are estimated to be reduced for the ensuing calendar
40 year due to legislative changes in the statewide school finance formula.
41 Prior to March 1 of each year, the director of accounts and reports shall
42 certify to the state treasurer each amount certified by the governing bodies
43 of cities under this section for the ensuing calendar year and shall transfer

1 from the state general fund to the city tax increment financing revenue
2 fund the aggregate of all amounts so certified. Prior to April 15 of each
3 year, the state treasurer shall pay from the city tax increment financing
4 revenue fund to each city certifying an amount to the director of accounts
5 and reports under this section for the ensuing calendar year the amount so
6 certified.

7 (b) There is hereby created the tax increment financing revenue
8 replacement fund which shall be administered by the state treasurer. All
9 expenditures from the tax increment financing revenue replacement fund
10 shall be made in accordance with appropriations acts upon warrants of the
11 director of accounts and reports issued pursuant to vouchers approved by
12 the state treasurer or a person or persons designated by the state treasurer.

13 Sec. 52. K.S.A. 2016 Supp. 12-1776a is hereby amended to read as
14 follows: 12-1776a. (a) As used in this section:

15 (1) "School district" means any school district in which is located a
16 redevelopment district for which bonds have been issued pursuant to
17 K.S.A. 12-1770 et seq., and amendments thereto.

18 (2) "Base year assessed valuation," "redevelopment district" and
19 "redevelopment project" shall have the meanings ascribed thereto by
20 K.S.A. 12-1770a, and amendments thereto.

21 (b) No later than November 1 of each year, the county clerk of each
22 county shall certify to the state board of education the assessed valuation
23 of any school district located within a redevelopment district in such
24 county. For the purposes of this section and for determining the amount of
25 state aid for school districts under *section 17 and* K.S.A. 75-2319, and
26 amendments thereto, the base year assessed valuation of property within
27 the boundaries of a redevelopment district shall be used when determining
28 the assessed valuation of a school district until the bonds issued pursuant
29 to K.S.A. 12-1770 et seq., and amendments thereto, to finance
30 redevelopment projects in the redevelopment district have been retired.

31 Sec. 53. K.S.A. 2016 Supp. 72-978 is hereby amended to read as
32 follows: 72-978. (a) Each year, the state board of education shall determine
33 the amount of state aid for the provision of special education and related
34 services each school district shall receive for the ensuing school year. The
35 amount of such state aid shall be computed by the state board as provided
36 in this section. The state board shall:

37 (1) Determine the total amount of general fund and local option
38 budgets of all school districts;

39 (2) subtract from the amount determined in subsection (a)(1) the total
40 amount attributable to assignment of transportation weighting, program
41 weighting, special education weighting and at-risk—~~pupil student~~
42 ~~weighting, as those weightings were calculated under the school district~~
43 ~~finance and quality performance act, prior to its repeal, to the enrollment~~

1 of all school districts;

2 (3) divide the remainder obtained in subsection (a)(2) by the total
 3 number of full-time equivalent pupils enrolled in all school districts on
 4 September 20;

5 (4) determine the total full-time equivalent enrollment of exceptional
 6 children receiving special education and related services provided by all
 7 school districts;

8 (5) multiply the amount of the quotient obtained in subsection (a)(3)
 9 by the full-time equivalent enrollment determined in subsection (a)(4);

10 (6) determine the amount of federal funds received by all school
 11 districts for the provision of special education and related services;

12 (7) determine the amount of revenue received by all school districts
 13 rendered under contracts with the state institutions for the provisions of
 14 special education and related services by the state institution;

15 (8) add the amounts determined under subsections (a)(6) and (a)(7) to
 16 the amount of the product obtained under subsection (a)(5);

17 (9) determine the total amount of expenditures of all school districts
 18 for the provision of special education and related services;

19 (10) subtract the amount of the sum obtained under subsection (a)(8)
 20 from the amount determined under subsection (a)(9); and

21 (11) multiply the remainder obtained under subsection (a)(10) by
 22 92%.

23 The computed amount is the amount of state aid for the provision of
 24 special education and related services aid a school district is entitled to
 25 receive for the ensuing school year.

26 (b) Each school district shall ~~be entitled to~~ receive:

27 (1) Reimbursement for actual travel allowances paid to special
 28 teachers at not to exceed the rate specified under K.S.A. 75-3203, and
 29 amendments thereto, for each mile actually traveled during the school year
 30 in connection with duties in providing special education or related services
 31 for exceptional children; Such reimbursement shall be computed by the
 32 state board by ascertaining the actual travel allowances paid to special
 33 teachers by the school district for the school year and shall be in an
 34 amount equal to 80% of such actual travel allowances;

35 (2) reimbursement in an amount equal to 80% of the actual travel
 36 expenses incurred for providing transportation for exceptional children to
 37 special education or related services;

38 (3) reimbursement in an amount equal to 80% of the actual expenses
 39 incurred for the maintenance of an exceptional child at some place other
 40 than the residence of such child for the purpose of providing special
 41 education or related services; Such reimbursement shall not exceed \$600
 42 per exceptional child per school year; and

43 (4) (A) except for those school districts ~~entitled to~~ *that* receive

1 reimbursement under subsection (c) or (d), after subtracting the amounts of
2 reimbursement under subsections (a)(1), (a)(2) and (a)(3) from the total
3 amount appropriated for special education and related services under this
4 act, an amount which bears the same proportion to the remaining amount
5 appropriated as the number of full-time equivalent special teachers who
6 are qualified to provide special education or related services to exceptional
7 children and are employed by the school district for approved special
8 education or related services bears to the total number of such qualified
9 full-time equivalent special teachers employed by all school districts for
10 approved special education or related services.

11 (B) Each special teacher who is qualified to assist in the provision of
12 special education or related services to exceptional children shall be
13 counted as $\frac{2}{5}$ full-time equivalent special teacher who is qualified to
14 provide special education or related services to exceptional children.

15 (C) For purposes of this subsection (b)(4), a special teacher, qualified
16 to assist in the provision of special education and related services to
17 exceptional children, who assists in providing special education and
18 related services to exceptional children at either the state school for the
19 blind or the state school for the deaf and whose services are paid for by a
20 school district pursuant to K.S.A. 76-1006 or 76-1102, and amendments
21 thereto, shall be considered a special teacher of such school district.

22 (c) Each school district which has paid amounts for the provision of
23 special education and related services under an interlocal agreement shall
24 ~~be entitled to~~ receive reimbursement under subsection (b)(4). The amount
25 of such reimbursement for the *school* district shall be the amount which
26 bears the same relation to the aggregate amount available for
27 reimbursement for the provision of special education and related services
28 under the interlocal agreement, as the amount paid by such *school* district
29 in the current school year for provision of such special education and
30 related services bears to the aggregate of all amounts paid by all school
31 districts in the current school year who have entered into such interlocal
32 agreement for provision of such special education and related services.

33 (d) Each contracting school district which has paid amounts for the
34 provision of special education and related services as a member of a
35 cooperative shall ~~be entitled to~~ receive reimbursement under subsection (b)
36 (4). The amount of such reimbursement for the *school* district shall be the
37 amount which bears the same relation to the aggregate amount available
38 for reimbursement for the provision of special education and related
39 services by the cooperative, as the amount paid by such *school* district in
40 the current school year for provision of such special education and related
41 services bears to the aggregate of all amounts paid by all contracting
42 school districts in the current school year by such cooperative for
43 provision of such special education and related services.

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

8 (f) There is hereby established in every school district a fund which
 9 shall be called the special education fund, which fund shall consist of all
 10 moneys deposited therein or transferred thereto according to law.
 11 Notwithstanding any other provision of law, all moneys received by the
 12 school district from whatever source for special education shall be credited
 13 to the special education fund established by this section, except that: (1)
 14 Amounts of payments received by a school district under K.S.A. 72-979,
 15 and amendments thereto, and amounts of grants, if any, received by a
 16 school district under K.S.A. 72-983, and amendments thereto, shall be
 17 deposited in the general fund of the district and transferred to the special
 18 education fund; and (2) moneys received by a school district pursuant to
 19 lawful agreements made under K.S.A. 72-968, and amendments thereto,
 20 shall be credited to the special education fund established under the
 21 agreements.

22 (g) The expenses of a school district directly attributable to special
 23 education shall be paid from the special education fund and from special
 24 funds established under K.S.A. 72-968, and amendments thereto.

25 (h) Obligations of a school district pursuant to lawful agreements
 26 made under K.S.A. 72-968, and amendments thereto, shall be paid from
 27 the special education fund established by this section.

28 Sec. 54. K.S.A. 2016 Supp. 72-1046b is hereby amended to read as
 29 follows: 72-1046b. (a) As used in this section:

30 (1) "School district" means a school district organized and operating
 31 under the laws of this state and no part of which is located in Johnson
 32 county, Sedgwick county, Shawnee county or Wyandotte county.

33 (2) "Non-resident pupil" or "pupil" means a pupil who is enrolled and
 34 in attendance at a school located in a district in which such pupil is not a
 35 resident and who: (A) Lives $2\frac{1}{2}$ or more miles from the attendance center
 36 the pupil would attend in the district in which the pupil resides and is not a
 37 resident of Johnson county, Sedgwick county, Shawnee county or
 38 Wyandotte county; or (B) is a member of the family of a pupil meeting the
 39 condition prescribed in ~~subpart~~ *subparagraph* (A).

40 (3) "Member of the family" means a brother or sister of the whole or
 41 half blood or by adoption, a stepbrother or stepsister, and a foster brother
 42 or foster sister.

43 (b) The board of education of any school district may allow any pupil

1 who is not a resident of the district to enroll in and attend school in such
2 district. The board of education of such district may furnish or provide
3 transportation to any non-resident pupil who is enrolled in and attending
4 school in the district pursuant to this section. If the district agrees to
5 furnish or provide transportation to a non-resident pupil, such
6 transportation shall be furnished or provided until the end of the school
7 year. Prior to providing or furnishing transportation to a non-resident
8 pupil, the district shall notify the board of education of the district in
9 which the pupil resides that transportation will be furnished or provided.

10 (c) Pupils attending school in a school district in which the pupil does
11 not reside pursuant to this section shall be counted as regularly enrolled in
12 and attending school in the district where the pupil is enrolled for the
13 purpose of computations under the ~~classroom learning assuring student~~
14 ~~success act, K.S.A. 2016 Supp. 72-6463 et seq. Kansas school equity and~~
15 ~~enhancement act, section 3 et seq.~~, and amendments thereto, *except*
16 *computation of transportation weighting under such act*, and for the
17 purposes of the statutory provisions contained in article 83 of chapter 72 of
18 the Kansas Statutes Annotated, and amendments thereto. Such non-
19 resident pupil shall not be charged for the costs of attendance at school.

20 ~~(d) Any pupil who was not a resident of the district in school year~~
21 ~~2014-2015, but was allowed to enroll in and attend school in such district~~
22 ~~in school year 2014-2015 by the board of education of such district and~~
23 ~~any member of the family of such pupil regardless of whether such family~~
24 ~~member enrolled in and attended school in such district in school year~~
25 ~~2014-2015, shall be allowed to enroll in and attend school in such district~~
26 ~~in school years 2015-2016 and 2016-2017 regardless of whether such~~
27 ~~pupil or family member of such pupil is a resident of the district in either~~
28 ~~school year, provided such pupil or such pupil's family member is in~~
29 ~~compliance with any attendance and behavior policies of the district. If~~
30 ~~transportation was furnished or provided to such pupil in school year~~
31 ~~2014-2015 by the district, then transportation shall be furnished or~~
32 ~~provided by the district to such pupil and any family member of such pupil~~
33 ~~in school years 2015-2016 and 2016-2017, provided there is no change in~~
34 ~~such pupil's residence and no requirement for the district to furnish~~
35 ~~transportation to any additional residence.~~

36 Sec. 55. K.S.A. 2016 Supp. 72-1398 is hereby amended to read as
37 follows: 72-1398. (a) The national board for professional teaching
38 standards certification incentive program is hereby established for the
39 purpose of rewarding teachers who have attained certification from the
40 national board. Teachers who have attained certification from the national
41 board shall be issued a master teacher's license by the state board of
42 education. A master teacher's license shall be valid for 10 years and
43 renewable thereafter every 10 years through compliance with continuing

1 education and professional development requirements prescribed by the
2 state board. Teachers who have attained certification from the national
3 board and who are employed by a school district shall be paid an incentive
4 bonus in the amount of \$1,000 each school year that the teacher remains
5 employed by a school district and retains a valid master teacher's license.

6 (b) The board of education of each school district employing one or
7 more national board certified teachers shall pay the incentive bonus to
8 each such teacher in each school year that the teacher retains eligibility for
9 such payment. Each board of education which has made payments of
10 incentive bonuses to national board certified teachers under this subsection
11 may file an application with the state board of education for state aid and
12 shall certify to the state board the amount of such payments. The
13 application and certification shall be on a form prescribed and furnished by
14 the state board, shall contain such information as the state board shall
15 require and shall be filed at the time specified by the state board.

16 (c) In each school year, each school district employing one or more
17 national board certified teachers is entitled to receive from appropriations
18 for the national board for professional teaching standards certification
19 incentive program an amount which is equal to the amount certified to the
20 state board of education in accordance with the provisions of subsection
21 (b). The state board shall certify to the director of accounts and reports the
22 amount due each school district. The director of accounts and reports shall
23 draw warrants on the state treasurer payable to the treasurer of each school
24 district entitled to payment under this section upon vouchers approved by
25 the state board.

26 (d) Moneys received by a board of education under this section shall
27 be deposited in the general fund of the school district and shall be
28 considered reimbursements to the district for the purpose of the ~~classroom~~
29 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
30 *school equity and enhancement act, section 3* et seq., and amendments
31 thereto, and may be expended whether the same have been budgeted or
32 not.

33 (e) The state board of education is authorized to provide scholarships
34 of \$1,100 each to teachers who are accepted to participate in the national
35 board for professional teaching standards program for initial certification.
36 The state board of education is authorized to provide scholarships of \$500
37 each to teachers who are accepted to participate in the national board for
38 professional teaching standards program for renewal of certification. Any
39 teacher who has been accepted to participate in such program may file an
40 application with the state board of education for a scholarship. The
41 application shall be on a form prescribed and furnished by the state board,
42 shall contain such information as the state board shall require and shall be
43 filed at the time specified by the state board.

1 (f) As used in this section, the term "school district" means any
2 school district organized and operating under the laws of this state.

3 Sec. 56. K.S.A. 2016 Supp. 72-1414 is hereby amended to read as
4 follows: 72-1414. (a) On or before January 1, 2001, the state board of
5 education shall adopt rules and regulations for the administration of
6 mentor teacher programs and shall:

7 (1) Establish standards and criteria for evaluating and approving
8 mentor teacher programs and applications of school districts for grants;

9 (2) evaluate and approve mentor teacher programs;

10 (3) establish criteria for determination of exemplary teaching ability
11 of certificated teachers for qualification as mentor teachers;

12 (4) prescribe guidelines for the selection by boards of education of
13 mentor teachers and for the provision by boards of education of training
14 programs for mentor teachers;

15 (5) be responsible for awarding grants to school districts; and

16 (6) request of and receive from each school district which is awarded
17 a grant for maintenance of a mentor teacher program reports containing
18 information with regard to the effectiveness of the program.

19 (b) Subject to the availability of appropriations for mentor teacher
20 programs maintained by school districts, and within the limits of any such
21 appropriations, the state board of education shall determine the amount of
22 grants to be awarded school districts by multiplying an amount not to
23 exceed \$1,000 by the number of mentor teachers participating in the
24 program maintained by a school district. The product is the amount of the
25 grant to be awarded to the district. Upon receipt of a grant of state moneys
26 for maintenance of a mentor teacher program, the amount of the grant shall
27 be deposited in the general fund of the school district. Moneys deposited in
28 the general fund of a school district under this subsection shall be
29 considered reimbursements for the purpose of the ~~classroom learning~~
30 ~~assuring student success act~~, K.S.A. 2016 Supp. 72-6463 *Kansas school*
31 *equity and enhancement act*, section 3 et seq., and amendments thereto.
32 The full amount of the grant shall be allocated among the mentor teachers
33 employed by the school district so as to provide a mentor teacher with an
34 annual stipend in an amount not to exceed \$1,000. Such annual stipend
35 shall be over and above the regular salary to which the mentor teacher is
36 entitled for the school year.

37 Sec. 57. K.S.A. 2016 Supp. 72-1923 is hereby amended to read as
38 follows: 72-1923. (a) Except as provided in K.S.A. 2016 Supp. 72-1925,
39 and amendments thereto, the board of education of any school district may
40 apply to the state board for a grant of authority to operate such school
41 district as a public innovative district. The application shall be submitted in
42 the form and manner prescribed by the state board, and shall be submitted
43 not later than December 1 of the school year preceding the school year in

1 which the school district intends to operate as a public innovative district.

2 (b) The application shall include the following:

3 (1) A description of the educational programs of the public innovative
4 district;

5 (2) a description of the interest and support for partnerships between
6 the public innovative district, parents and the community;

7 (3) the specific goals and the measurable pupil outcomes to be
8 obtained by operating as a public innovative district; and

9 (4) an explanation of how pupil performance in achieving the
10 specified outcomes will be measured, evaluated and reported.

11 (c) (1) Within 90 days from the date such application is submitted, the
12 state board shall review the application to determine compliance with this
13 section, and shall approve or deny such application on or before the
14 conclusion of such 90-day period. If the application is determined to be in
15 compliance with this section, the state board shall approve such
16 application and grant the school district authority to operate as a public
17 innovative district. Notification of such approval shall be sent to the board
18 of education of such school district within 10 days after such decision.

19 (2) If the state board determines such application is not in compliance
20 with either this section, or K.S.A. 2016 Supp. 72-1925, and amendments
21 thereto, the state board shall deny such application. Notification of such
22 denial shall be sent to the board of education of such school district within
23 10 days after such decision and shall specify the reasons therefor. Within
24 30 days from the date such notification is sent, the board of education of
25 such school district may submit a request to the state board for
26 reconsideration of the application and may submit an amended application
27 with such request. The state board shall act on the request for
28 reconsideration within 60 days of receipt of such request.

29 (d) A public innovative district shall:

30 (1) Not charge tuition for any of the pupils residing within the public
31 innovative district;

32 (2) participate in all Kansas math and reading assessments applicable
33 to such public innovative district, or an alternative assessment program for
34 measuring student progress as determined by the board of education;

35 (3) abide by all financial and auditing requirements that are
36 applicable to school districts, except that a public innovative district may
37 use generally accepted accounting principles;

38 (4) comply with all applicable health, safety and access laws; and

39 (5) comply with all statements set forth in the application submitted
40 pursuant to subsection (a).

41 (e) (1) Except as otherwise provided in K.S.A. 2016 Supp. 72-1921
42 through 72-1930, and amendments thereto, or as required by the board of
43 education of the public innovative district, a public innovative district shall

1 be exempt from all laws and rules and regulations that are applicable to
2 school districts.

3 (2) A public innovative district shall be subject to the special
4 education for exceptional children act, the virtual school act, the ~~classroom~~
5 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
6 *school equity and enhancement act, section 3* et seq., and amendments
7 thereto, the provisions of K.S.A. 72-8801 et seq., and amendments thereto,
8 all laws governing the issuance of general obligation bonds by school
9 districts, the provisions of K.S.A. 74-4901 et seq., and amendments
10 thereto, and all laws governing the election of members of the board of
11 education, the open meetings act as provided in K.S.A. 75-4317 et seq.,
12 and amendments thereto, and the open records act as provided in K.S.A.
13 45-215 et seq., and amendments thereto.

14 Sec. 58. K.S.A. 2016 Supp. 72-3712 is hereby amended to read as
15 follows: 72-3712. As used in the virtual school act:

16 (a) "Virtual school" means any school or educational program that:
17 (1) Is offered for credit; (2) uses distance-learning technologies which
18 predominately use internet-based methods to deliver instruction; (3)
19 involves instruction that occurs asynchronously with the teacher and ~~pupil~~
20 *student* in separate locations; (4) requires the ~~pupil student~~ to make
21 academic progress toward the next grade level and matriculation from
22 kindergarten through high school graduation; (5) requires the ~~pupil student~~
23 to demonstrate competence in subject matter for each class or subject in
24 which the ~~pupil student~~ is enrolled as part of the virtual school; and (6)
25 requires age-appropriate ~~pupils students~~ to complete state assessment tests.

26 (b) "School district" means any school district which offers a virtual
27 school.

28 (c) Except as provided by the virtual school act, words and phrases
29 shall have the meanings ascribed thereto in ~~K.S.A. 2016 Supp. 72-6464~~
30 *section 4*, and amendments thereto.

31 Sec. 59. K.S.A. 2016 Supp. 72-3715 is hereby amended to read as
32 follows: 72-3715. (a) In order to be included in the full-time equivalent
33 enrollment of a virtual school, a ~~pupil student~~ shall be in attendance at the
34 virtual school on: (1) A single school day on or before September 19 of
35 each school year; and (2) on a single school day on or after September 20,
36 but before October 4 of each school year.

37 (b) A school district which offers a virtual school shall determine the
38 full-time equivalent enrollment of each ~~pupil student~~ enrolled in the virtual
39 school on September 20 of each school year as follows:

40 (1) Determine the number of hours the ~~pupil student~~ was in
41 attendance on a single school day on or before September 19 of each
42 school year;

43 (2) determine the number of hours the ~~pupil student~~ was in attendance

1 on a single school day on or after September 20, but before October 4 of
 2 each school year;

3 (3) add the numbers obtained under ~~paragraphs~~ *subsections (b)(1) and*
 4 *(b)(2)*;

5 (4) divide the sum obtained under ~~paragraph~~ *subsection (b)(3)* by 12.
 6 The quotient is the full-time equivalent enrollment of the ~~pupil~~ *student*.

7 (c) The school days on which a district determines the full-time
 8 equivalent enrollment of a ~~pupil~~ *student* under subsections (b)(1) and (2)
 9 shall be the school days on which the ~~pupil~~ *student* has the highest number
 10 of hours of attendance at the virtual school. No more than six hours of
 11 attendance may be counted in a single school day. Attendance may be
 12 shown by a ~~pupil's~~ *student's* on-line activity or entries in the ~~pupil's~~
 13 *student's* virtual school journal or log of activities.

14 (d) Subject to the availability of appropriations and within the limits
 15 of any such appropriations, each school year a school district which offers
 16 a virtual school shall receive virtual school state aid. The state board of
 17 education shall determine the amount of virtual school state aid a school
 18 district is to receive as follows:

19 (1) ~~For school year 2015-2016:~~

20 (A) ~~Determine the number of pupils~~ *students* enrolled in virtual
 21 school on a full-time basis, excluding those ~~pupils~~ *students* who are over
 22 ~~18 19~~ years of age, and multiply the total number of such ~~pupils~~ *students*
 23 by \$5,000;

24 (B) (2) determine the full-time equivalent enrollment of ~~pupils~~
 25 *students* enrolled in virtual school on a part-time basis, excluding those
 26 pupils who are over ~~18 19~~ years of age, and multiply the total full-time
 27 equivalent enrollment of such ~~pupils~~ *students* by ~~\$4,045~~ *\$1,700*;

28 (C) (3) for ~~pupils~~ *students* enrolled in a virtual school who are over
 29 ~~18 19~~ years of age, determine the number of one-hour credit courses such
 30 ~~pupils~~ *students* have passed, *not to exceed six credit courses per school*
 31 *year*, and multiply the total number of such courses by ~~\$933~~ *\$709*; and

32 (D) (4) add the amounts calculated under subsections (d)(1)(A)
 33 through (d)(1)(C) (4). The resulting sum is the amount of virtual school
 34 state aid the school district shall receive.

35 (2) ~~For school year 2016-2017:~~

36 (A) ~~Determine the number of pupils~~ enrolled in virtual school on a
 37 full-time basis, excluding those pupils who are over 18 years of age, and
 38 multiply the total number of such pupils by \$5,600;

39 (B) ~~determine the full-time equivalent enrollment of pupils~~ enrolled
 40 in virtual school on a part-time basis, excluding those pupils who are over
 41 18 years of age, and multiply the total full-time equivalent enrollment of
 42 such pupils by \$1,700;

43 (C) ~~for pupils~~ enrolled in a virtual school who are over 18 years of

1 age, determine the number of one-hour credit courses such pupils have
2 passed and multiply the total number of such courses by \$933; and

3 ~~(D) add the amounts calculated under subsections (d)(2)(A) through~~
4 ~~(d)(2)(C). The resulting sum is the amount of virtual school state aid the~~
5 ~~school district shall receive.~~

6 ~~(3) For purposes of this subsection:~~

7 ~~(A) "Full-time" means attendance in a virtual school for no less than~~
8 ~~six hours as determined pursuant to subsection (b).~~

9 ~~(B) "Part-time" means attendance in a virtual school for less than six~~
10 ~~hours as determined pursuant to subsection (b).~~

11 (e) *(I)* There is hereby established in every school district a fund
12 which shall be called the virtual school fund, which fund shall consist of
13 all moneys deposited therein or transferred thereto according to law. The
14 expenses of a school district directly attributable to virtual schools offered
15 by a school district may be paid from the virtual school fund. The cost of
16 an advance placement course provided to a ~~pupil~~ *student* by a virtual
17 school shall be paid by the virtual school. ~~Amounts deposited in the virtual~~
18 ~~school fund may be transferred to the general fund of the school district as~~
19 ~~approved by the board of education. Moneys deposited in or otherwise~~
20 ~~transferred to the virtual school fund shall only be expended for those~~
21 ~~costs directly attributable to the provision of virtual instruction.~~

22 (2) Any balance remaining in the virtual school fund at the end of the
23 budget year shall be carried forward into the virtual school fund for
24 succeeding budget years. Such fund shall not be subject to the provisions
25 of K.S.A. 79-2925 through 79-2937, and amendments thereto.

26 (3) In preparing the budget of such school district, the amounts
27 credited to and the amount on hand in the virtual school fund, and the
28 amount expended therefrom shall be included in the annual budget for the
29 information of the residents of the school district. Interest earned on the
30 investment of moneys in any such fund shall be credited to that fund.

31 (f) For the purposes of this section, a ~~pupil~~ *student* enrolled in a
32 virtual school who is not a resident of the state of Kansas shall not be
33 counted in the full-time equivalent enrollment of the virtual school. The
34 virtual school shall record the permanent address of any ~~pupil~~ *student*
35 enrolled in such virtual school.

36 (g) *For purposes of this section:*

37 (A) "Full-time" means attendance in a virtual school for no less than
38 six hours as determined pursuant to subsection (b).

39 (B) "Part-time" means attendance in a virtual school for less than six
40 hours as determined pursuant to subsection (b).

41 Sec. 60. K.S.A. 2016 Supp. 72-5333b is hereby amended to read as
42 follows: 72-5333b. (a) The unified school district maintaining and
43 operating a school on the Fort Leavenworth military reservation, being

1 unified school district No. 207 of Leavenworth county, state of Kansas,
2 shall have a governing body, which shall be known as the "Fort
3 Leavenworth school district board of education" and which shall consist of
4 three members who shall be appointed by, and serve at the pleasure of the
5 commanding general of Fort Leavenworth. One member of the board shall
6 be the president and one member shall be the vice-president. The
7 commanding general, when making any appointment to the board, shall
8 designate which of the offices the member so appointed shall hold. Except
9 as otherwise expressly provided in this section, the district board and the
10 officers thereof shall have and may exercise all the powers, duties,
11 authority and jurisdiction imposed or conferred by law on unified school
12 districts and boards of education thereof, except such school district shall
13 not offer or operate any of grades 10 through 12.

14 (b) The board of education of the school district shall not have the
15 power to issue bonds.

16 (c) Except as otherwise expressly provided in this subsection, the
17 provisions of the ~~classroom learning assuring student success act, K.S.A.~~
18 ~~2016 Supp. 72-6463~~ *Kansas school equity and enhancement act, section 3*
19 *et seq.*, and amendments thereto, apply to the school district. *As applied to*
20 *the school district, the terms "local foundation aid" and "federal impact*
21 *aid" shall not include any moneys received by the school district under*
22 *subsection (3)(d)(2)(b) of public law 81-874.* Any such moneys received
23 by the school district shall be deposited in the general fund of the school
24 district or, at the discretion of the board of education, in the capital outlay
25 fund of the school district.

26 Sec. 61. K.S.A. 2016 Supp. 72-64b01 is hereby amended to read as
27 follows: 72-64b01. (a) No school district shall expend, use or transfer any
28 moneys from the general fund of the district for the purpose of engaging in
29 or supporting in any manner any litigation by the school district or any
30 person, association, corporation or other entity against the state of Kansas,
31 the state board of education, the state department of education, other state
32 agency or any state officer or employee regarding *the Kansas school*
33 *equity and enhancement act or any other law concerning school finance.*
34 No such moneys shall be paid, donated or otherwise provided to any
35 person, association, corporation or other entity and used for the purpose of
36 any such litigation.

37 (b) Nothing in *section 15, and amendments thereto, or this section*
38 shall be construed as prohibiting the expenditure, use or transfer of
39 moneys from *that portion of* the proceeds of any tax levied by a school
40 district pursuant to ~~K.S.A. 2016 Supp. 72-6472~~ *section 16*, and
41 amendments thereto, *that was levied to finance a school district's local*
42 *enhancement budget*, for the purposes specified in subsection (a).

43 Sec. 62. K.S.A. 2016 Supp. 72-64c03 is hereby amended to read as

1 follows: 72-64c03. The appropriation of moneys necessary to pay general
2 state aid and supplemental general state aid under the ~~classroom learning~~
3 ~~assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school*
4 *equity and enhancement act, section 3* et seq., and amendments thereto,
5 and state aid for the provision of special education and related services
6 under the special education for exceptional children act shall be given first
7 priority in the legislative budgeting process and shall be paid first from
8 existing state revenues.

9 Sec. 63. K.S.A. 2016 Supp. 72-64c05 is hereby amended to read as
10 follows: 72-64c05. Article 6 of the constitution of the state of Kansas
11 states that the legislature shall provide for intellectual, educational,
12 vocational and scientific improvement by establishing and maintaining
13 public schools; provide for a state board of education having general
14 supervision of public schools, educational institutions and the educational
15 interests of the state, except those delegated by law to the state board of
16 regents; and make suitable provision for finance of the educational
17 interests of the state. It is the purpose and intention of the legislature to
18 provide a financing system for the education of kindergarten and grades
19 one through 12 which provides students with the capacities set forth in
20 K.S.A. 2016 Supp. 72-1127, and amendments thereto. Such financing
21 system shall be sufficiently flexible for the legislature to consider and
22 utilize financing methods from all available resources in order to satisfy
23 the constitutional requirements under article 6. Such financing methods
24 shall include, but are not limited to, the following:

25 (a) Federal funding to unified school districts or public schools,
26 including any grants or federal assistance;

27 (b) subject to appropriations by the legislature, appropriations of state
28 moneys for the improvement of public education, including, but not
29 limited to, the following:

30 (1) Financing to unified school districts through the ~~classroom-~~
31 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
32 *school equity and enhancement act, section 3* et seq., and amendments
33 thereto;

34 (2) financing to unified school districts through any provisions which
35 provide state aid, such as capital improvements state aid, capital outlay
36 state aid and any other state aid paid, distributed or allocated to school
37 districts on the basis of the assessed valuation of school districts;

38 (3) employer contributions to the Kansas public employees retirement
39 system for public schools;

40 (4) appropriations to the Kansas children's cabinet for programs
41 serving students enrolled in unified school districts in meeting the goal
42 specified in K.S.A. 2016 Supp. 72-1127, and amendments thereto;

43 (5) appropriations to any programs which provide early learning to

1 four-year-old children with the purpose of preparing them for success in
2 public schools;

3 (6) appropriations to any programs, such as communities in schools,
4 which provide individualized support to students enrolled in unified school
5 districts in meeting the goal specified in K.S.A. 2016 Supp. 72-1127, and
6 amendments thereto;

7 (7) transportation financing, including any transfers from the state
8 general fund and state highway fund to the state department of education
9 to provide technical education transportation, special education
10 transportation or school bus safety;

11 (8) financing to other facilities providing public education to students,
12 such as the Kansas state school for the blind, the Kansas state school for
13 the deaf, school district juvenile detention facilities and the Flint Hills job
14 corps center;

15 (9) appropriations relating to the Kansas academy of mathematics and
16 science;

17 (10) appropriations relating to teaching excellence, such as
18 scholarships, awards, training or in-service workshops;

19 (11) appropriations to the state board of regents to provide technical
20 education incentives to unified school districts and tuition costs to
21 postsecondary institutions which provide career technical education to
22 secondary students; and

23 (12) appropriations to any postsecondary educational institution
24 which provides postsecondary education to a secondary student without
25 charging tuition to such student;

26 (c) any provision which authorizes the levying of local taxes for the
27 purpose of financing public schools; and

28 (d) any transfer of funds or appropriations from one object or fund to
29 another approved by the legislature for the purpose of financing public
30 schools.

31 Sec. 64. K.S.A. 2016 Supp. 72-6622 is hereby amended to read as
32 follows: 72-6622. In the event that all of the property acquired by any two
33 cities under the provisions of K.S.A. 3-404 et seq., and amendments
34 thereto, is included within the territory of a unified school district in which
35 only one of such cities is located:

36 (a) One-half of the assessed valuation of such property shall be
37 assigned to each of the two school districts in which such cities are located
38 for the purposes of determining the assessed valuation of each district for
39 ~~entitlement to:~~ (1) *Supplemental state aid under section 17, and*
40 *amendments thereto; and (2) payment from the school district capital*
41 *improvements fund under K.S.A. 75-2319, and amendments thereto;*

42 (b) The revenue to be received by each district under subsection (c)
43 shall be used as a receipt by such district in computing its ad valorem tax

1 requirement for each tax levy fund; and

2 (c) Such property shall be subject to taxation for school purposes at a
3 rate equal to the aggregate of all rates imposed for school purposes upon
4 property located within the school district in which such property is
5 located, but one-half of the proceeds derived from such levy shall be
6 allocated to each of the two school districts in which such cities are
7 located.

8 Sec. 65. K.S.A. 2016 Supp. 72-6624 is hereby amended to read as
9 follows: 72-6624. (a) As used in this section:

10 (1) "School district" means unified school district No. 404, unified
11 school district No. 493, unified school district No. 499 and unified school
12 district No. 508.

13 (2) "Property" means any property, and improvements thereon,
14 comprising a racetrack gaming facility or lottery gaming facility under the
15 Kansas expanded lottery act located in Cherokee county.

16 (3) "State aid" means general state aid, *supplemental state aid*, capital
17 improvements state aid, capital outlay state aid and any other state aid
18 paid, distributed or allocated to school districts under the ~~classroom-~~
19 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
20 *school equity and enhancement act, section 3* et seq., and amendments
21 thereto, or other law, and any other state aid paid, distributed or allocated
22 to school districts on the basis of the assessed valuation of school districts.

23 (b) For the purposes of computing the assessed valuation of school
24 districts for the payment, distribution or allocation of state aid and the
25 levying of school taxes, $\frac{1}{4}$ of the assessed valuation of such property shall
26 be assigned to each of the school districts.

27 (c) The provisions of this section shall not apply if the property is not
28 or ceases to be used as a racetrack gaming facility or lottery gaming
29 facility under the Kansas expanded lottery act.

30 Sec. 66. K.S.A. 2016 Supp. 72-6625 is hereby amended to read as
31 follows: 72-6625. (a) As used in this section:

32 (1) "School district" means unified school district No. 507 and
33 unified school district No. 374.

34 (2) "Property" means the following described property, and
35 improvements thereon, comprised of 1,120 acres, more or less, located in
36 Haskell county: All of Section 34, Township 29 South, Range 33 West and
37 the West $\frac{1}{2}$ of Section 3, Township 30 South, Range 33 West and the
38 Northeast Quarter of Section 3, Township 30 South, Range 33 West.

39 (3) "State aid" means general state aid, *supplemental state aid*, capital
40 improvements state aid, capital outlay state aid and any other state aid
41 paid, distributed or allocated to school districts under the ~~classroom-~~
42 ~~learning assuring student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas*
43 *school equity and enhancement act, section 3* et seq., and amendments

1 thereto, or other law, and any other state aid paid, distributed or allocated
2 to school districts on the basis of the assessed valuation of school districts.

3 (b) For the purposes of computing the assessed valuation of school
4 districts for the payment, distribution or allocation of state aid and the
5 levying of school taxes, $\frac{1}{2}$ of the assessed valuation of such property shall
6 be assigned to each of the school districts.

7 (c) The provisions of this section shall not apply if the property is not
8 or ceases to be used for the production of ethanol.

9 Sec. 67. K.S.A. 2016 Supp. 72-6757 is hereby amended to read as
10 follows: 72-6757. (a) As used in this section:

11 (1) "Receiving school district" means a school district of
12 nonresidence of a pupil who attends school in such school district.

13 (2) "Sending school district" means a school district of residence of a
14 pupil who attends school in a school district not of the pupil's residence.

15 (b) The board of education of any school district may make and enter
16 into contracts with the board of education of any receiving school district
17 located in this state for the purpose of providing for the attendance of
18 pupils at school in the receiving school district.

19 (c) The board of education of any school district may make and enter
20 into contracts with the governing authority of any accredited school
21 district located in another state for the purpose of providing for the
22 attendance of pupils from this state at school in such other state or for the
23 attendance of pupils from such other state at school in this state.

24 (d) Pupils attending school in a receiving school district in
25 accordance with a contract authorized by this section and made and
26 entered into by such receiving school district with a sending school district
27 located in this state shall be counted as regularly enrolled in and attending
28 school in the sending school district for the purpose of computations under
29 the ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
30 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq.*, and
31 amendments thereto.

32 (e) Any contract made and entered into under authority of this section
33 is subject to the following conditions:

34 (1) The contract shall be for the benefit of pupils who reside at
35 inconvenient or unreasonable distances from the schools maintained by the
36 sending school district or for pupils who, for any other reason deemed
37 sufficient by the board of education of the sending school district, should
38 attend school in a receiving school district;

39 (2) the contract shall make provision for the payment of tuition by the
40 sending school district to the receiving school district;

41 (3) if a sending school district is located in this state and the receiving
42 school district is located in another state, the amount of tuition provided to
43 be paid for the attendance of a pupil or pupils at school in the receiving

1 school district shall not exceed $\frac{1}{2}$ of the amount of the budget per pupil of
2 the sending school district under the ~~classroom learning assuring student~~
3 ~~success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*
4 *enhancement act, section 3 et seq.*, and amendments thereto, for the
5 current school year; and

6 (4) the contract shall make provision for transportation of pupils to
7 and from the school attended on every school day.

8 (f) Amounts received pursuant to contracts made and entered into
9 under authority of this section by a school district located in this state for
10 enrollment and attendance of pupils at school in regular educational
11 programs shall be deposited in the general fund of the school district.

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

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

17 (i) The provisions of this section are deemed to be alternative to the
18 provisions of K.S.A. 72-8233, and amendments thereto, and no procedure
19 or authorization under K.S.A. 72-8233, and amendments thereto, shall be
20 limited by the provisions of this section.

21 Sec. 68. K.S.A. 2016 Supp. 72-67,115 is hereby amended to read as
22 follows: 72-67,115. (a) The board of education of any school district may:

23 (1) Offer and teach courses and conduct preschool programs for
24 children under the age of eligibility to attend kindergarten.

25 (2) Enter into cooperative or interlocal agreements with one or more
26 other boards for the establishment, operation and maintenance of such
27 preschool programs.

28 (3) Contract with private, nonprofit corporations or associations or
29 with any public or private agency or institution, whether located within or
30 outside the state, for the establishment, operation and maintenance of such
31 preschool programs.

32 (4) Prescribe and collect fees for providing such preschool programs.

33 (b) Fees for providing preschool programs shall be prescribed and
34 collected only to recover the costs incurred as a result of and directly
35 attributable to the establishment, operation and maintenance of the
36 preschool programs. Revenues from fees collected by a board under this
37 section shall be deposited in the general fund of the school district and
38 shall be considered reimbursements to the district for the purpose of the
39 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
40 ~~6463~~ *Kansas school equity and enhancement act, section 3 et seq.*, and
41 amendments thereto, and may be expended whether the same have been
42 budgeted or not and amounts so expended shall not be considered
43 operating expenses.

1 Sec. 69. K.S.A. 2016 Supp. 72-7535 is hereby amended to read as
2 follows: 72-7535. (a) In order to equip students with the knowledge and
3 skills needed to become self-supporting and to enable students to make
4 critical decisions regarding personal finances, the state board of education
5 shall authorize and assist in the implementation of programs on teaching
6 personal financial literacy.

7 (b) The state board of education shall develop a curriculum, materials
8 and guidelines that local boards of education and governing authorities of
9 accredited nonpublic schools may use in implementing the program of
10 instruction on personal financial literacy. The state board of education
11 shall adopt a glossary of personal financial literacy terms which shall be
12 used by school districts when implementing the program on personal
13 financial literacy.

14 (c) The state board of education shall develop state curriculum
15 standards for personal financial literacy, for all grade levels, within the
16 existing mathematics curriculum or another appropriate subject-matter
17 curriculum.

18 (d) The state board of education shall encourage school districts when
19 selecting textbooks for mathematics, economics, family and consumer
20 science, accounting or other appropriate courses, to select those textbooks
21 which contain substantive provisions on personal finance, including
22 personal budgeting, credit, debt management and other topics concerning
23 personal financial literacy.

24 (e) The state board of education shall include questions relating to
25 personal financial literacy in the statewide assessments for mathematics or
26 social studies required under ~~K.S.A. 2016 Supp. 72-6479~~ *section 43*, and
27 amendments thereto. When the statewide assessments for mathematics or
28 social studies are reviewed or rewritten, the state board of education shall
29 examine the questions relating to personal financial literacy and rewrite
30 such questions in order to determine if programs on personal financial
31 literacy are equipping students with the knowledge and skills needed to
32 become self-supporting and enabling students to make critical decisions
33 regarding personal finances.

34 Sec. 70. K.S.A. 2016 Supp. 72-8187 is hereby amended to read as
35 follows: 72-8187. (a) In each school year, to the extent that appropriations
36 are available, each school district which has provided educational services
37 for pupils residing at the Flint Hills job corps center, for pupils housed at a
38 psychiatric residential treatment facility or for pupils confined in a juvenile
39 detention facility is eligible to receive a grant of state moneys in an
40 amount to be determined by the state board of education.

41 (b) In order to be eligible for a grant of state moneys provided for by
42 this section, each school district which has provided educational services
43 for pupils residing at the Flint Hills job corps center, for pupils housed at a

1 psychiatric residential treatment facility or for pupils confined in a juvenile
2 detention facility shall submit to the state board of education an
3 application for a grant and shall certify the amount expended, and not
4 reimbursed or otherwise financed, in the school year for the services
5 provided. The application and certification shall be prepared in such form
6 and manner as the state board shall require and shall be submitted at a time
7 to be determined and specified by the state board. Approval by the state
8 board of applications for grants of state moneys is prerequisite to the
9 award of grants.

10 (c) Each school district which is awarded a grant under this section
11 shall make such periodic and special reports of statistical and financial
12 information to the state board as it may request.

13 (d) All moneys received by a school district under authority of this
14 section shall be deposited in the general fund of the school district and
15 shall be considered reimbursement of the district for the purpose of the
16 ~~classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
17 ~~6463 Kansas school equity and enhancement act, section 3 et seq., and~~
18 ~~amendments thereto.~~

19 (e) The state board of education shall approve applications of school
20 districts for grants, determine the amount of grants and be responsible for
21 payment of grants to school districts. In determining the amount of a grant
22 which a school district is eligible to receive, the state board shall compute
23 the amount of state financial aid the district would have received on the
24 basis of enrollment of pupils residing at the Flint Hills job corps center,
25 housed at a psychiatric residential treatment facility or confined in a
26 juvenile detention facility if such pupils had been counted as two pupils
27 under the school district finance and quality performance act and compare
28 such computed amount to the amount certified by the district under
29 subsection (b). The amount of the grant the district is eligible to receive
30 shall be an amount equal to the lesser of the amount computed under this
31 subsection or the amount certified under subsection (b). If the amount of
32 appropriations for the payment of grants under this section is insufficient
33 to pay in full the amount each school district is determined to be eligible to
34 receive for the school year, the state board shall prorate the amount
35 appropriated among all school districts which are eligible to receive grants
36 of state moneys in proportion to the amount each school district is
37 determined to be eligible to receive.

38 (f) On or before July 1 of each year, the secretary for aging and
39 disability services shall submit to the Kansas department of education a list
40 of facilities which have been certified and licensed as psychiatric
41 residential treatment facilities.

42 (g) As used in this section:

43 (1) "Enrollment" means the number of pupils who are: (A) Residing

1 at the Flint Hills job corps center, confined in a juvenile detention facility
2 or residing at a psychiatric residential treatment facility; and (B) for whom
3 a school district is providing educational services on September 20, on
4 November 20, or on April 20 of a school year, whichever is the greatest
5 number of pupils;

6 (2) "juvenile detention facility" means any public or private facility
7 which is used for the lawful custody of accused or adjudicated juvenile
8 offenders and which shall not be a jail; and

9 (3) "psychiatric residential treatment facility" means a facility which
10 provides psychiatric services to individuals under the age of 21 and which
11 conforms with the regulations of the centers for medicare/medicaid
12 services, is licensed and certified by the Kansas department for aging and
13 disability services pursuant to subsection (f).

14 Sec. 71. K.S.A. 2016 Supp. 72-8190 is hereby amended to read as
15 follows: 72-8190. (a) For the purpose of determination of *supplemental*
16 *state aid under section 17, and amendments thereto*, and payments from
17 the school district capital improvements fund under K.S.A. 75-2319, and
18 amendments thereto, notwithstanding any provision of either such
19 statutory section to the contrary, the term assessed valuation per pupil, as
20 applied to unified school district No. 203, Wyandotte county, shall not
21 include within its meaning the assessed valuation of property which is
22 owned by Sunflower Racing, Inc. and operated as a racetrack facility
23 known as the Woodlands. The meaning of assessed valuation per pupil as
24 provided in this subsection, for the purposes specified in this subsection,
25 and as applied to the unified school district designated in this subsection,
26 shall be in force and effect for the 1994-95 and 1995-96 school years.

27 (b) (1) In the event unified school district No. 203, Wyandotte county,
28 receives in any school year the proceeds from any taxes which may be
29 paid upon the Woodlands for the 1994-95 school year or the 1995-96
30 school year or for both such school years, the state board of education
31 shall deduct an amount equal to the amount of such tax proceeds from
32 future payments of state aid to which the district is entitled.

33 (2) For the purposes of this subsection, the term "state aid" means
34 payments from the school district capital improvements fund.

35 Sec. 72. K.S.A. 2016 Supp. 72-8230 is hereby amended to read as
36 follows: 72-8230. (a) In the event the boards of education of any two or
37 more school districts enter into a school district interlocal cooperation
38 agreement for the purpose of jointly and cooperatively performing any of
39 the services, duties, functions, activities, obligations or responsibilities
40 which are authorized or required by law to be performed by school
41 districts of this state, the following conditions shall apply:

42 (1) A school district interlocal cooperation agreement shall establish a
43 board of directors which shall be responsible for administering the joint or

1 cooperative undertaking. The agreement shall specify the organization and
2 composition of and manner of appointment to the board of directors. Only
3 members of boards of education of school districts party to the agreement
4 shall be eligible for membership on the board of directors. The terms of
5 office of members of the board of directors shall expire concurrently with
6 their terms as board of education members. Vacancies in the membership
7 of the board of directors shall be filled within 30 days from the date of the
8 vacancy in the manner specified in the agreement.

9 (2) A school district interlocal cooperation agreement may provide
10 for the establishment and composition of an executive board. The
11 members of the executive board, if established, shall be selected by the
12 board of directors from its membership. The executive board shall exercise
13 the powers, have the responsibilities, and perform the duties and functions
14 of the board of directors to the extent authority to do so is delegated by the
15 board of directors.

16 (3) A school district interlocal cooperation agreement shall be
17 effective only after approval by the state board of education.

18 (4) A school district interlocal cooperation agreement shall be subject
19 to change or termination by the legislature.

20 (5) The duration of a school district interlocal cooperation agreement
21 for joint or cooperative action in performing any of the services, duties,
22 functions, activities, obligations or responsibilities, other than the
23 provision of special education services, which are authorized or required
24 by law to be performed by school districts of this state, shall be for a term
25 of at least three years but not exceeding five years.

26 (6) (A) The duration of a school district interlocal cooperation
27 agreement for joint or cooperative action in providing special education
28 services shall be perpetual unless the agreement is partially or completely
29 terminated in accordance with this provision. This provision applies to
30 every school district interlocal cooperation agreement for the provision of
31 special education services entered into under authority of this section after
32 the effective date of this act and to every such agreement entered into
33 under this section prior to the effective date of this act, and extant on the
34 effective date of this act, regardless of any provisions in such an agreement
35 to the contrary.

36 (B) Partial termination of a school district interlocal cooperation
37 agreement for the provision of special education services made and
38 entered into by the boards of three or more school districts may be
39 accomplished only upon petition for withdrawal from the agreement by a
40 contracting school district to the other contracting school districts and
41 approval by the state board of written consent to the petition by such other
42 school districts or upon order of the state board after appeal to it by a
43 school district from denial of consent to a petition for withdrawal and

1 hearing thereon conducted by the state board. The state board shall
2 consider all the testimony and evidence brought forth at the hearing and
3 issue an order approving or disapproving withdrawal by the school district
4 from the agreement.

5 (C) Complete termination of a school district interlocal cooperation
6 agreement for the provision of special education services made and
7 entered into by the boards of two school districts may be accomplished
8 upon approval by the state board of a joint petition made to the state board
9 for termination of the agreement by both of the contracting school districts
10 after adoption of a resolution to that effect by each of the contracting
11 school districts or upon petition for withdrawal from the agreement made
12 by a contracting school district to the other contracting school district and
13 approval by the state board of written consent to the petition by such other
14 school district or upon order of the state board after appeal to it by a school
15 district from denial of consent to a petition for withdrawal and hearing
16 thereon conducted by the state board. The state board shall consider all the
17 testimony and evidence brought forth at the hearing and issue an order
18 approving or disapproving withdrawal by the school district from the
19 agreement.

20 (D) Complete termination of a school district interlocal cooperation
21 agreement for the provision of special education services made and
22 entered into by the boards of three or more school districts may be
23 accomplished only upon approval by the state board of a joint petition
24 made to the state board for termination of the agreement by not less than
25 $\frac{2}{3}$ of the contracting school districts after adoption of a resolution to that
26 effect by each of the contracting school districts seeking termination of the
27 agreement. The state board shall consider the petition and approve or
28 disapprove termination of the agreement.

29 (E) The state board shall take such action in approving or
30 disapproving the complete or partial termination of a school district
31 interlocal cooperation agreement for the provision of special education
32 services as the state board deems to be in the best interests of the involved
33 school districts and of the state as a whole in the provision of special
34 education services for exceptional children. Whenever the state board has
35 disapproved the complete or partial termination of such an agreement, no
36 further action with respect to such agreement shall be considered or taken
37 by the state board for a period of not less than three years.

38 (7) A school district interlocal cooperation agreement shall specify
39 the method or methods to be employed for disposing of property upon
40 partial or complete termination.

41 (8) Within the limitations provided by law, a school district interlocal
42 cooperation agreement may be changed or modified by affirmative vote of
43 not less than $\frac{2}{3}$ of the contracting school districts.

1 (b) Except as otherwise specifically provided in this subsection, any
2 power or powers, privileges or authority exercised or capable of exercise
3 by any school district of this state, or by any board of education thereof,
4 may be jointly exercised pursuant to the provisions of a school district
5 interlocal cooperation agreement. No power or powers, privileges or
6 authority with respect to the levy and collection of taxes, the issuance of
7 bonds, or the purposes and provisions of the ~~classroom learning assuring~~
8 ~~student success act, K.S.A. 2016 Supp. 72-6463~~ *Kansas school equity and*
9 *enhancement act, section 3* et seq., and amendments thereto, or title I of
10 public law 874 shall be created or effectuated for joint exercise pursuant to
11 the provisions of a school district interlocal cooperation agreement.

12 (c) Payments from the general fund of each school district which
13 enters into any school district interlocal cooperation agreement for the
14 purpose of financing the joint or cooperative undertaking provided for by
15 the agreement shall be operating expenses.

16 (d) Upon partial termination of a school district interlocal cooperation
17 agreement, the board of directors established under a renegotiated
18 agreement thereof shall be the successor in every respect to the board of
19 directors established under the former agreement.

20 (e) Nothing contained in this section shall be construed to abrogate,
21 interfere with, impair, qualify or affect in any manner the exercise and
22 enjoyment of all of the powers, privileges and authority conferred upon
23 school districts and boards of education thereof by the provisions of the
24 interlocal cooperation act, except that boards of education and school
25 districts are required to comply with the provisions of this section when
26 entering into an interlocal cooperation agreement that meets the definition
27 of school district interlocal cooperation agreement.

28 (f) As used in this section:

29 (1) "School district interlocal cooperation agreement" means an
30 agreement which is entered into by the boards of education of two or more
31 school districts pursuant to the provisions of the interlocal cooperation act.

32 (2) "State board" means the state board of education.

33 Sec. 73. K.S.A. 2016 Supp. 72-8233 is hereby amended to read as
34 follows: 72-8233. (a) In accordance with the provisions of this section, the
35 boards of education of any two or more unified school districts may make
36 and enter into agreements providing for the attendance of pupils residing
37 in one school district at school in kindergarten or any of the grades one
38 through 12 maintained by any such other school district. The boards of
39 education may also provide by agreement for the combination of
40 enrollments for kindergarten or one or more grades, courses or units of
41 instruction.

42 (b) Prior to entering into any agreement under authority of this
43 section, the board of education shall adopt a resolution declaring that it has

1 made a determination that such an agreement should be made and that the
2 making and entering into of such an agreement would be in the best
3 interests of the educational system of the school district. Any such
4 agreement is subject to the following conditions:

5 (1) The agreement may be for any term not exceeding a term of five
6 years.

7 (2) The agreement shall be subject to change or termination by the
8 legislature.

9 (3) Within the limitations provided by law, the agreement may be
10 changed or terminated by mutual agreement of the participating boards of
11 education.

12 (4) The agreement shall make provision for transportation of pupils to
13 and from the school attended on every school day, for payment or sharing
14 of the costs and expenses of pupil attendance at school, and for the
15 authority and responsibility of the participating boards of education.

16 (c) Provision by agreements entered into under authority of this
17 section for the attendance of pupils at school in a school district of
18 nonresidence of such pupils shall be deemed to be compliance with the
19 kindergarten, grade, course and units of instruction requirements of law.

20 (d) The board of education of any school district which enters into an
21 agreement under authority of this section for the attendance of pupils at
22 school in another school district may discontinue kindergarten or any or all
23 of the grades, courses and units of instruction specified in the agreement
24 for attendance of pupils enrolled in kindergarten or any such grades,
25 courses and units of instruction at school in such other school district.
26 Upon discontinuing kindergarten or any grade, course or unit of instruction
27 under authority of this subsection, the board of education may close any
28 school building or buildings operated or used for attendance by pupils
29 enrolled in such discontinued kindergarten, grades, courses or units of
30 instruction. The closing of any school building under authority of this
31 subsection shall require a majority vote of the members of the board of
32 education and shall require no other procedure or approval.

33 (e) Pupils attending school in a school district of nonresidence of
34 such pupils in accordance with an agreement made and entered into under
35 authority of this section shall be counted as regularly enrolled in and
36 attending school in the school district of residence of such pupils for the
37 purpose of computations under the ~~classroom learning assuring student~~
38 ~~success act, K.S.A. 2016 Supp. 72-6463 Kansas school equity and~~
39 ~~enhancement act, section 3 et seq., and amendments thereto.~~

40 (f) Pupils who satisfactorily complete grade 12 while in attendance at
41 school in a school district of nonresidence of such pupils in accordance
42 with the provisions of an agreement entered into under authority of this
43 section shall be certified as having graduated from the school district of

1 residence of such pupils unless otherwise provided for by the agreement.

2 Sec. 74. K.S.A. 2016 Supp. 72-8236 is hereby amended to read as
3 follows: 72-8236. (a) The board of education of any school district may:
4 (1) Establish, operate and maintain a child care facility; (2) enter into
5 cooperative or interlocal agreements with one or more other boards for the
6 establishment, operation and maintenance of a child care facility; (3)
7 contract with private, nonprofit corporations or associations or with any
8 public or private agency or institution, whether located within or outside
9 the state, for the establishment, operation and maintenance of a child care
10 facility; and (4) prescribe and collect fees for providing care at a child care
11 facility.

12 (b) Fees for providing care at a child care facility established under
13 authority of this section shall be prescribed and collected only to recover
14 the costs incurred as a result of and directly attributable to the
15 establishment, operation and maintenance of the child care facility.
16 Revenues from fees collected by a board under this section shall be
17 deposited in the general fund of the school district and shall be considered
18 reimbursements to the district for the purpose of the ~~classroom learning~~
19 ~~assuring student success act~~, K.S.A. 2016 Supp. 72-6463 *Kansas school*
20 *equity and enhancement act*, section 3 et seq., and amendments thereto,
21 and may be expended whether the same have been budgeted or not and
22 amounts so expended shall not be considered operating expenses.

23 (c) Every school district which establishes, operates and maintains a
24 child care facility shall be subject to the provisions contained in article 5 of
25 chapter 65 of Kansas Statutes Annotated, and amendments thereto.

26 (d) As used in this section, the term "child" means any child who is
27 three years of age or older, and any infant or toddler whose parent or
28 parents are pupils or employees of a school district which establishes,
29 operates and maintains, or cooperates in the establishment, operation and
30 maintenance of, a child care facility under authority of this act.

31 Sec. 75. K.S.A. 2016 Supp. 72-8249 is hereby amended to read as
32 follows: 72-8249. (a) There is hereby established in every school district a
33 special reserve fund. Moneys in such fund shall be used to:

34 (1) Pay claims, judgments, expenses and other purposes relating to
35 health care services, disability income benefits and group life insurance
36 benefits as authorized by K.S.A. 72-8415a, and amendments thereto;

37 (2) pay costs relating to uninsured losses; and

38 (3) pay the cost of workers compensation insurance and workers
39 compensation claims, awards, expenses and other purposes authorized by
40 the workers compensation act.

41 ~~Moneys in such fund may be transferred to the general fund of the~~
42 ~~school district as approved by the board of education.~~

43 (b) Any balance remaining in the special reserve fund at the end of

1 the budget year shall be carried forward into that reserve fund for
2 succeeding budget years. Such fund shall not be subject to the provisions
3 of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing
4 the budget of such school district, the amounts credited to and the amount
5 on hand in the special reserve fund, and the amount expended therefrom
6 shall be included in the annual budget for the information of the residents
7 of the school district. Interest earned on the investment of moneys in any
8 such fund shall be credited to that fund.

9 Sec. 76. K.S.A. 2016 Supp. 72-8250 is hereby amended to read as
10 follows: 72-8250. (a) There is hereby established in every school district a
11 textbook and student materials revolving fund. Moneys in such fund shall
12 be used to:

13 (1) Purchase any items designated in K.S.A. 72-5389, and
14 amendments thereto;

15 (2) pay the cost of materials or other items used in curricular,
16 extracurricular or other school-related activities; and

17 (3) purchase textbooks as authorized by K.S.A. 72-4141, and
18 amendments thereto.

19 ~~Moneys in such fund may be transferred to the general fund of the~~
20 ~~school district as approved by the board of education.~~

21 (b) Any balance remaining in the textbook and student materials
22 revolving fund at the end of the budget year shall be carried forward into
23 that fund for succeeding budget years. Such fund shall not be subject to the
24 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
25 In preparing the budget of such school district, the amounts credited to and
26 the amount on hand in the textbook and student materials revolving fund,
27 and the amount expended therefrom shall be included in the annual budget
28 for the information of the residents of the school district. ~~Interest earned on~~
29 ~~the investment of moneys in any such fund shall be credited to that fund.~~

30 Sec. 77. K.S.A. 2016 Supp. 72-8251 is hereby amended to read as
31 follows: 72-8251. Whenever a school district is required by law to make
32 any payment during the month of June and there is insufficient revenue to
33 make such payment as a result of the payment of state aid after the date
34 prescribed by the state board of education pursuant to ~~K.S.A. 2016 Supp.~~
35 ~~72-6466 section 7~~, and amendments thereto, the school district shall make
36 such payment as soon as moneys are available.

37 Sec. 78. K.S.A. 2016 Supp. 72-8302 is hereby amended to read as
38 follows: 72-8302. (a) The board of education of a school district may
39 provide or furnish transportation for ~~pupils~~ *students* who are enrolled in
40 the school district to or from any school of the school district or to or from
41 any school of another school district attended by such ~~pupils~~ *students* in
42 accordance with the provisions of an agreement entered into under
43 authority of K.S.A. 72-8233, and amendments thereto.

1 (b) (1) When any or all of the conditions specified in this provision
2 exist, the board of education of a school district shall provide or furnish
3 transportation for ~~pupils~~ *students* who reside in the school district and who
4 attend any school of the school district or who attend any school of another
5 school district in accordance with the provisions of an agreement entered
6 into under authority of K.S.A. 72-8233, and amendments thereto. The
7 conditions which apply to the requirements of this provision are as
8 follows:

9 (A) The residence of the ~~pupil~~ *student* is inside or outside the
10 corporate limits of a city, the school building attended is outside the
11 corporate limits of a city and the school building attended is more than 2¹/₂
12 miles by the usually traveled road from the residence of the ~~pupil~~ *student*;
13 or

14 (B) the residence of the ~~pupil~~ *student* is outside the corporate limits of
15 a city, the school building attended is inside the corporate limits of a city
16 and the school building attended is more than 2¹/₂ miles by the usually
17 traveled road from the residence of the ~~pupil~~ *student*; or

18 (C) the residence of the ~~pupil~~ *student* is inside the corporate limits of
19 one city, the school building attended is inside the corporate limits of a
20 different city and the school building attended is more than 2¹/₂ miles by
21 the usually traveled road from the residence of the ~~pupil~~ *student*.

22 (2) The provisions of this subsection are subject to the provisions of
23 subsections (c) and (d).

24 (c) The board of education of every school district is authorized to
25 adopt rules and regulations to govern the conduct, control and discipline of
26 all ~~pupils~~ *students* while being transported in school buses. The board may
27 suspend or revoke the transportation privilege or entitlement of any ~~pupil~~
28 *student* who violates any rules and regulations adopted by the board under
29 authority of this subsection.

30 (d) The board of education of every school district may suspend or
31 revoke the transportation privilege or entitlement of any ~~pupil~~ *student* who
32 is detained at school at the conclusion of the school day for violation of
33 any rules and regulations governing ~~pupil~~ *student* conduct or for
34 disobedience of an order of a teacher or other school authority. Suspension
35 or revocation of the transportation privilege or entitlement of any ~~pupil~~
36 *student* specified in this subsection shall be limited to the school day or
37 days on which the ~~pupil~~ *student* is detained at school. The provisions of
38 this subsection do not apply to any ~~pupil~~ *student* who has been determined
39 to be an exceptional child, except gifted children, under the provisions of
40 the special education for exceptional children act.

41 (e) (1) Subject to the limitations specified in this subsection, the
42 board of education of any school district may prescribe and collect fees to
43 offset, totally or in part, the costs incurred for the provision or furnishing

1 of transportation for ~~pupils~~ *students*. The limitations which apply to the
2 authorization granted by this subsection are as follows:

3 (A) Fees for the provision or furnishing of transportation for ~~pupils~~
4 *students* shall be prescribed and collected only to recover the costs
5 incurred as a result of and directly attributable to the provision or
6 furnishing of transportation for ~~pupils~~ *students* and only to the extent that
7 such costs are not reimbursed from any other source provided by law;

8 (B) fees for the provision or furnishing of transportation may not be
9 assessed against or collected from any ~~pupil~~ *student who is counted in*
10 *determining the transportation weighting of the school district under the*
11 *Kansas school equity and enhancement act, section 3 et seq., and*
12 *amendments thereto, or any student who is determined to be a child with*
13 *disabilities under the provisions of the special education for exceptional*
14 *children act or any ~~pupil~~ student who is eligible for free or reduced price*
15 *meals under the national school lunch act or any ~~pupil~~ student who is*
16 *entitled to transportation under the provisions of K.S.A. 72-8306(a), and*
17 *amendments thereto, and who resides 2½ miles or more by the regular*
18 *route of a school bus from the school attended;*

19 (C) fees for the provision or furnishing of transportation for ~~pupils~~
20 *students* in accordance with the provisions of an agreement entered-into
21 under authority of K.S.A. 72-8233 or 72-8307, and amendments thereto,
22 shall be controlled by the provisions of the agreement.

23 (2) All moneys received by a school district from fees collected under
24 this subsection shall be deposited in the general fund of the district.

25 Sec. 79. K.S.A. 2016 Supp. 72-8309 is hereby amended to read as
26 follows: 72-8309. (a) The board of education of a school district shall not
27 furnish or provide transportation for ~~pupils~~ or students who reside in
28 another school district except in accordance with the written consent of the
29 board of education of the school district in which such ~~pupil~~ or student
30 resides, or in accordance with an order issued by a board of education
31 under the provisions of K.S.A. 72-1046b, and amendments thereto, or in
32 accordance with the provisions of an agreement entered into under
33 authority of K.S.A. 72-8233, and amendments thereto.

34 (b) A school district may transport a nonresident ~~pupil~~ or student if
35 such ~~pupil~~ or student boards the school bus within the boundaries or on the
36 boundary of the transporting school district. To the extent that the
37 provisions of this subsection conflict with the provisions of subsection (a),
38 the provisions of subsection (a) shall control.

39 (c) *No student who is furnished or provided transportation by a*
40 *school district that is not the school district in which the student resides*
41 *shall be counted in the computation of the school district's transportation*
42 *weighting under the Kansas school equity and enhancement act, section 3*
43 *et seq., and amendments thereto.*

1 Sec. 80. K.S.A. 2016 Supp. 72-8316 is hereby amended to read as
2 follows: 72-8316. (a) Any board of education, pursuant to a policy
3 developed and adopted by it, may provide for the use of district-owned or
4 leased school buses when such buses are not being used for regularly
5 required school purposes. The policy may provide for:

6 (1) (A) Transporting parents and other adults to or from school-
7 related functions or activities; (B) transporting ~~pupils~~ *students* to or from
8 functions or activities sponsored by organizations, the membership of
9 which is principally composed of children of school age; and (C)
10 transporting persons engaged in field trips in connection with their
11 participation in an adult education program maintained by the transporting
12 school district or by any other school district, within or outside the
13 boundaries of the transporting school district; and

14 (2) contracting with: (A) The governing body of any township, city or
15 county for transportation of individuals, groups or organizations; (B) the
16 governing authority of any nonpublic school for transportation of ~~pupils~~
17 *students* attending such nonpublic school to or from interschool or
18 intraschool functions or activities; (C) the board of trustees of any
19 community college for transportation of students enrolled in such
20 community college to or from attendance at class at the community college
21 or to and from functions or activities of the community college; (D) a
22 public recreation commission established and operated under the laws of
23 this state, for any purposes related to the operation of the recreation
24 commission and all programs and services thereof; (E) the board of
25 education of any other school district for transportation, on a cooperative
26 and shared-cost basis, of ~~pupils~~ *students*, school personnel, parents and
27 other adults to or from school-related functions or activities; or (F) a four-
28 year college or university, area vocational school or area vocational-
29 technical school for transportation of students to or from attendance at
30 class at the four-year college or university, area vocational school or area
31 vocational-technical school or for transportation of students, alumni and
32 other members of the public to or from functions or activities of the four-
33 year college or university, area vocational school or area vocational-
34 technical school.

35 (b) *The costs related to the use of school buses under the authority of*
36 *this section shall not be considered in determining the transportation*
37 *weighting of a school district under the Kansas school equity and*
38 *enhancement act, section 3 et seq., and amendments thereto.*

39 ~~(b)~~ (c) Transportation fees may be charged by the board to offset,
40 totally or in part, the costs incurred for the use of school buses under
41 authority of this section.

42 ~~(e)~~ (d) Any revenues received by a board of education as
43 transportation fees or under any contract entered into pursuant to this

1 section shall be deposited in the general fund of the school district and
2 shall be considered reimbursements to the school district for the purpose of
3 ~~the classroom learning assuring student success act, K.S.A. 2016 Supp. 72-~~
4 ~~6463~~ *Kansas school equity and enhancement act, section 3* et seq., and
5 amendments thereto. Such revenues may be expended whether the same
6 have been budgeted or not.

7 (d) (e) The provisions of K.S.A. 8-1556(c), and amendments thereto,
8 apply to the use of school buses under authority of this section.

9 Sec. 81. K.S.A. 2016 Supp. 72-8415b is hereby amended to read as
10 follows: 72-8415b. (a) Any school district that elects to become a self-
11 insurer under the provisions of K.S.A. 72-8414, and amendments thereto,
12 may transfer moneys from its general fund to the special reserve fund of
13 the district as provided by ~~K.S.A. 2016 Supp. 72-6478~~ *section 40*, and
14 amendments thereto.

15 (b) Any community college that elects to become a self-insurer under
16 the provisions of K.S.A. 72-8414, and amendments thereto, may transfer
17 such amounts from its general fund to the health care services reserve fund
18 or the disability income benefits reserve fund, or the group life benefit
19 reserve fund, or all three, as may be deemed necessary to meet the cost of
20 health care services or disability income benefits, or group life insurance
21 claims, whichever is applicable.

22 Sec. 82. K.S.A. 2016 Supp. 72-8801 is hereby amended to read as
23 follows: 72-8801. (a) The board of education of any school district may
24 make an annual tax levy at a mill rate not to exceed the statutorily
25 prescribed mill rate upon the taxable tangible property in the school
26 district for the purposes specified in this act and for the purpose of paying
27 a portion of the principal and interest on bonds issued by cities under the
28 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
29 redevelopment projects upon property located within the school district.
30 No levy shall be made under this act until a resolution is adopted by the
31 board of education in the following form:

32 Unified School District No. _____,
33 _____ County, Kansas.

34 RESOLUTION

35 Be It Resolved that:

36 The above-named school board shall be authorized to make an annual
37 tax levy ~~for a period not to exceed _____ years~~ in an amount not to
38 exceed _____ mills upon the taxable tangible property in the school
39 district for the purpose of acquisition, construction, reconstruction, repair,
40 remodeling, additions to, furnishing, maintaining and equipping of school
41 district property and equipment necessary for school district purposes,
42 including: (1) Acquisition of computer software; (2) acquisition of
43 performance uniforms; (3) housing and boarding pupils enrolled in an area

1 vocational school operated under the board; (4) architectural expenses; (5)
 2 acquisition of building sites; (6) undertaking and maintenance of asbestos
 3 control projects; (7) acquisition of school buses; and (8) acquisition of
 4 other fixed assets, and for the purpose of paying a portion of the principal
 5 and interest on bonds issued by cities under the authority of K.S.A. 12-
 6 1774, and amendments thereto, for the financing of redevelopment
 7 projects upon property located within the school district. The tax levy
 8 authorized by this resolution may be made, unless a petition in opposition
 9 to the same, signed by not less than 10% of the qualified electors of the
 10 school district, is filed with the county election officer of the home county
 11 of the school district within 40 calendar days after the last publication of
 12 this resolution. In the event a petition is filed, the county election officer
 13 shall submit the question of whether the tax levy shall be authorized to the
 14 electors in the school district at an election called for that purpose or at the
 15 next general election, as is specified by the board of education of the
 16 above school district.

17 CERTIFICATE

18 This is to certify that the above resolution was duly adopted by the
 19 board of education of Unified School District No. _____,
 20 County, Kansas, on the ____ day of _____, ____
 21 _____

22 Clerk of the board of education.

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

39 (b) As used in this act:

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

1 specified in the resolution was approved;

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

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

17 (4) "asbestos" means the asbestiform varieties of chrysotile
18 (serpentine), crocidolite (riebeckite), amosite (cummingtonitegrunerite),
19 anthophyllite, tremolite, and actinolite; and

20 (5) "asbestos-containing material" means any material or product
21 which contains more than 1% asbestos.

22 Sec. 83. K.S.A. 2016 Supp. 72-8804 is hereby amended to read as
23 follows: 72-8804. (a) Any moneys in the capital outlay fund of any school
24 district and any moneys received from issuance of bonds under K.S.A. 72-
25 8805 or 72-8810, and amendments thereto, may be used for the purpose of
26 the acquisition, construction, reconstruction, repair, remodeling, additions
27 to, furnishing, maintaining and equipping of school district property and
28 equipment necessary for school district purposes, including: (1)
29 Acquisition of computer software; (2) acquisition of performance
30 uniforms; (3) housing and boarding pupils enrolled in an area vocational
31 school operated under the board of education; (4) architectural expenses;
32 (5) acquisition of building sites; (6) undertaking and maintenance of
33 asbestos control projects; (7) acquisition of school buses; and (8)
34 acquisition of other fixed assets, ~~and, for school years 2015-2016 and~~
35 ~~2016-2017, subject to the provisions of K.S.A. 2016 Supp. 72-6478, and~~
36 ~~amendments thereto, may be transferred to the general fund of the school~~
37 ~~district as approved by the board of education.~~

38 (b) The board of education of any school district is hereby authorized
39 to invest any portion of the capital outlay fund of the school district which
40 is not currently needed in investments authorized by K.S.A. 12-1675, and
41 amendments thereto, in the manner prescribed therein, or may invest the
42 same in direct obligations of the United States government maturing or
43 redeemable at par and accrued interest within three years from date of

1 purchase, the principal and interest whereof is guaranteed by the
2 government of the United States. All interest received on any such
3 investment shall upon receipt thereof be credited to the capital outlay fund.

4 Sec. 84. K.S.A. 2016 Supp. 72-8908 is hereby amended to read as
5 follows: 72-8908. As used in this act:

6 (a) "Juvenile" means a person who is less than 18 years of age;
7 (b) "adult" means a person who is 18 years of age or older;
8 (c) "felony" means any crime designated a felony by the laws of
9 Kansas or the United States;

10 (d) "misdemeanor" means any crime designated a misdemeanor by
11 the laws of Kansas or the United States;

12 (e) "school day" means any day on which school is maintained;

13 (f) "school year" has the meaning ascribed thereto in ~~K.S.A. 2016~~
14 ~~Supp. 72-6464 section 4~~, and amendments thereto;

15 (g) "counsel" means any person a pupil selects to represent and
16 advise the pupil at all proceedings conducted pursuant to the provisions of
17 this act; and

18 (h) "principal witness" means any witness whose testimony is of
19 major importance in support of the charges upon which a proposed
20 suspension or expulsion from school is based, or in determination of
21 material questions of fact.

22 Sec. 85. K.S.A. 2016 Supp. 72-9509 is hereby amended to read as
23 follows: 72-9509. (a) There is hereby established in every school district a
24 fund which shall be called the bilingual education fund, which fund shall
25 consist of all moneys deposited therein or transferred thereto according to
26 law. ~~Amounts deposited in the bilingual education fund may be used for~~
27 ~~the payment of expenses directly attributable to bilingual education or may~~
28 ~~be transferred to the general fund of the school district as approved by the~~
29 ~~board of education~~ *The expenses of a school district directly attributable*
30 *to such bilingual education programs shall be paid from the bilingual*
31 *education fund. Moneys deposited in or otherwise transferred to the*
32 *bilingual education fund shall only be expended for those costs directly*
33 *attributable to the provision of bilingual education programs.*

34 (b) Any balance remaining in the bilingual education fund at the end
35 of the budget year shall be carried forward into the bilingual education
36 fund for succeeding budget years. Such fund shall not be subject to the
37 provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto.
38 In preparing the budget of such school district, the amounts credited to and
39 the amount on hand in the bilingual education fund, and the amount
40 expended therefrom shall be included in the annual budget for the
41 information of the residents of the school district. ~~Interest earned on the~~
42 ~~investment of moneys in any such fund shall be credited to that fund.~~

43 (c) Each year the board of education of each school district shall

1 prepare and submit to the state board a report on the bilingual education
2 program and assistance provided by the district. Such report shall include
3 information specifying the number of pupils who were served or provided
4 assistance, the type of service provided, the research upon which the
5 district relied in determining that a need for service or assistance existed,
6 the results of providing such service or assistance and any other
7 information required by the state board.

8 Sec. 86. K.S.A. 2016 Supp. 72-9609 is hereby amended to read as
9 follows: 72-9609. There is hereby established in every school district a
10 fund which shall be called the professional development fund, which fund
11 shall consist of all moneys deposited therein or transferred thereto
12 according to law. All moneys received by the school district from whatever
13 source for professional development programs established under this act
14 shall be credited to the fund established by this section. ~~Amounts deposited~~
15 ~~in the professional development fund may be used for the payment of~~
16 ~~expenses directly attributable to professional development or may be~~
17 ~~transferred to the general fund of the school district as approved by the~~
18 ~~board of education~~ *The expenses of a school district directly attributable*
19 *to professional development programs shall be paid from the professional*
20 *development fund.*

21 Sec. 87. K.S.A. 2016 Supp. 72-99a02 is hereby amended to read as
22 follows: 72-99a02. As used in the tax credit for low income students
23 scholarship program act:

24 (a) "Contributions" means monetary gifts or donations and in-kind
25 contributions, gifts or donations that have an established market value.

26 (b) "Department" means the Kansas department of revenue.

27 (c) "Educational scholarship" means an amount not to exceed \$8,000
28 per school year provided to an eligible student, or to a qualified school
29 with respect to an eligible student, to cover all or a portion of the costs of
30 education including tuition, fees and expenses of a qualified school and, if
31 applicable, the costs of transportation to a qualified school if provided by
32 such qualified school.

33 (d) "Eligible student" means a child who:

34 (1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,
35 prior to its repeal, and who is attending a public school; or (B) has been
36 eligible to receive an educational scholarship under this program and has
37 not graduated from high school or reached 21 years of age;

38 (2) resides in Kansas while eligible for an educational scholarship;
39 and

40 (3) (A) was enrolled in any public school in the previous school year
41 in which an educational scholarship is first sought for the child; or (B) is
42 eligible to be enrolled in any public school in the school year in which an
43 educational scholarship is first sought for the child and the child is under

1 the age of six years.

2 (e) "Parent" includes a guardian, custodian or other person with
3 authority to act on behalf of the child.

4 (f) "Program" means the tax credit for low income students
5 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
6 72-99a07, and amendments thereto.

7 (g) "Public school" means a school that would qualify as either a title
8 I focus school or a title I priority school as described by the state board
9 under the elementary and secondary education act flexibility waiver as
10 amended in January 2013 and is operated by a school district.

11 (h) "Qualified school" means any nonpublic school that provides
12 education to elementary or secondary students, has notified the state board
13 of its intention to participate in the program and complies with the
14 requirements of the program.

15 (i) "Scholarship granting organization" means an organization that
16 complies with the requirements of this program and provides educational
17 scholarships to eligible students or to qualified schools in which parents
18 have enrolled eligible students.

19 (j) "School district" or "district" means any unified school district
20 organized and operating under the laws of this state.

21 (k) "School year" shall have the meaning ascribed thereto in ~~K.S.A.~~
22 ~~2016 Supp. 72-6464 section 4,~~ and amendments thereto.

23 (l) "Secretary" means the secretary of revenue.

24 (m) "State board" means the state board of education.

25 Sec. 88. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as
26 amended by section 87 of this act, is hereby amended to read as follows:
27 72-99a02. As used in the tax credit for low income students scholarship
28 program act:

29 (a) "Contributions" means monetary gifts or donations and in-kind
30 contributions, gifts or donations that have an established market value.

31 (b) "Department" means the Kansas department of revenue.

32 (c) "Educational scholarship" means an amount not to exceed \$8,000
33 per school year provided to an eligible student, or to a qualified school
34 with respect to an eligible student, to cover all or a portion of the costs of
35 education including tuition, fees and expenses of a qualified school and, if
36 applicable, the costs of transportation to a qualified school if provided by
37 such qualified school.

38 (d) "Eligible student" means a child who:

39 (1) (A) ~~Qualifies as an at-risk pupil as defined in K.S.A. 72-6407,~~
40 ~~prior to its repeal~~ student, as defined in section 4, and amendments thereto,
41 and who either: (i) Is attending a public school; or (ii) is enrolled in a
42 school district that qualifies for high-density at-risk student weighting
43 under section 27(b), and amendments thereto; or (B) has been eligible to

1 receive an educational scholarship under this program and has not
2 graduated from high school or reached 21 years of age;

3 (2) resides in Kansas while eligible for an educational scholarship;
4 and

5 (3) (A) was enrolled in any public school in the previous school year
6 in which an educational scholarship is first sought for the child; or (B) is
7 eligible to be enrolled in any public school in the school year in which an
8 educational scholarship is first sought for the child and the child is under
9 the age of six years.

10 (e) "Parent" includes a guardian, custodian or other person with
11 authority to act on behalf of the child.

12 (f) "Program" means the tax credit for low income students
13 scholarship program established in K.S.A. 2016 Supp. 72-99a01 through
14 72-99a07, and amendments thereto.

15 (g) "Public school" means a school that would qualify as either a title
16 I focus school or a title I priority school as described by the state board
17 under the elementary and secondary education act flexibility waiver as
18 amended in January 2013 and is operated by a school district.

19 (h) "Qualified school" means ~~any nonpublic school that provides~~
20 ~~education to elementary or secondary students, has notified the state board~~
21 ~~of its intention to participate in the program and complies with the~~
22 ~~requirements of the program.~~ (1) *A nonpublic school accredited by the*
23 *state board whose postsecondary effective rate exceeds the trend line for*
24 *such rate among all school districts and accredited nonpublic schools as*
25 *determined by the state board;* (2) *a nonpublic school whose composite*
26 *ACT score exceeds the statewide average composite ACT score for all*
27 *school districts and accredited nonpublic schools;* or (3) *a nonpublic*
28 *school that was a participating qualified school prior to July 1, 2018, or*
29 *that has been a qualified school participating in the program in any*
30 *preceding school year. Each qualified school shall provide education to*
31 *elementary or secondary students, notify the state board of its intention to*
32 *participate in the program and comply with the requirements of the*
33 *program.*

34 (i) "Scholarship granting organization" means an organization that
35 complies with the requirements of this program and provides educational
36 scholarships to eligible students or to qualified schools in which parents
37 have enrolled eligible students.

38 (j) "School district" or "district" means any unified school district
39 organized and operating under the laws of this state.

40 (k) "School year" shall have the meaning ascribed thereto in section
41 4, and amendments thereto.

42 (l) "Secretary" means the secretary of revenue.

43 (m) "State board" means the state board of education.

1 Sec. 89. K.S.A. 2016 Supp. 74-4939a is hereby amended to read as
2 follows: 74-4939a. On and after the effective date of this act for each fiscal
3 year commencing with fiscal year 2005, notwithstanding the provisions of
4 K.S.A. 74-4939, and amendments thereto, or any other statute, all moneys
5 appropriated for the department of education from the state general fund
6 commencing with fiscal year 2005, and each ensuing fiscal year thereafter,
7 by appropriation act of the legislature, in the KPERS — employer
8 contributions account and all moneys appropriated for the department of
9 education from the state general fund or any special revenue fund for each
10 fiscal year commencing with fiscal year 2005, and each ensuing fiscal year
11 thereafter, by any such appropriation act in that account or any other
12 account for payment of employer contributions for school districts, shall
13 be distributed by the department of education to school districts in
14 accordance with this section. Notwithstanding the provisions of K.S.A. 74-
15 4939, and amendments thereto, ~~for school year 2015-2016,~~ the department
16 of education shall disburse to each school district that is an eligible
17 employer as specified in K.S.A. 74-4931(1), and amendments thereto, an
18 amount ~~in accordance with K.S.A. 2016 Supp. 72-6465(a)(6), and~~
19 ~~amendments thereto, which shall be disbursed pursuant to K.S.A. 2016~~
20 ~~Supp. 72-6465, and amendments thereto. Notwithstanding the provisions~~
21 ~~of K.S.A. 74-4939, and amendments thereto, for school year 2016-2017,~~
22 the department of education shall disburse to each school district that is an
23 eligible employer as specified in K.S.A. 74-4931(1), and amendments
24 thereto, an amount in accordance with K.S.A. 2016 Supp. 72-6465(b)(4),
25 and amendments thereto, which shall be disbursed pursuant to K.S.A.
26 2016 Supp. 72-6465, and amendments thereto *certified by the board of*
27 *trustees of the Kansas public employees retirement system that is equal to*
28 *the participating employer's obligation of such school district to the*
29 *system in accordance with policies and procedures that are hereby*
30 *authorized and directed to be adopted by the state board of education for*
31 *the purposes of this section and in accordance with any requirements*
32 *prescribed by the board of trustees of the Kansas public employees*
33 *retirement system. Upon receipt of each such disbursement of moneys, the*
34 *school district shall deposit the entire amount thereof into a special*
35 *retirement contributions fund of the school district, which shall be*
36 *established by the school district in accordance with such policies and*
37 *procedures and which shall be used for the sole purpose of receiving such*
38 *disbursements from the department of education and making the*
39 *remittances to the system in accordance with this section and such policies*
40 *and procedures. Upon receipt of each such disbursement of moneys from*
41 *the department of education, the school district shall remit, in accordance*
42 *with the provisions of such policies and procedures and in the manner and*
43 *on the date or dates prescribed by the board of trustees of the Kansas*

1 public employees retirement system, an equal amount to the Kansas public
2 employees retirement system from the special retirement contributions
3 fund of the school district to satisfy such school district's obligation as a
4 participating employer. Notwithstanding the provisions of K.S.A. 74-4939,
5 and amendments thereto, each school district that is an eligible employer
6 as specified in K.S.A. 74-4931(1), and amendments thereto, shall show
7 within the budget of such school district all amounts received from
8 disbursements into the special retirement contributions fund of such school
9 district. Notwithstanding the provisions of any other statute, no official
10 action of the school board of such school district shall be required to
11 approve a remittance to the system in accordance with this section and
12 such policies and procedures. All remittances of moneys to the system by a
13 school district in accordance with this subsection and such policies and
14 procedures shall be deemed to be expenditures of the school district.

15 Sec. 90. K.S.A. 2016 Supp. 74-8925 is hereby amended to read as
16 follows: 74-8925. (a) For the purposes of this act, the term "taxing
17 subdivision" shall include the county, the city, the unified school district
18 and any other taxing subdivision levying real property taxes, the territory
19 or jurisdiction of which includes any currently existing or subsequently
20 created redevelopment district. The term "real property taxes" includes all
21 taxes levied on an ad valorem basis upon land and improvements thereon,
22 other than the property tax levied pursuant to the provisions of ~~K.S.A.~~
23 ~~2016 Supp. 72-6470 section 13~~, and amendments thereto, or any other
24 property tax levied by or on behalf of a school district.

25 (b) All tangible taxable property located within a redevelopment
26 district shall be assessed and taxed for ad valorem tax purposes pursuant to
27 law in the same manner that such property would be assessed and taxed if
28 located outside such district, and all ad valorem taxes levied on such
29 property shall be paid to and collected by the county treasurer in the same
30 manner as other taxes are paid and collected. Except as otherwise provided
31 in this section, the county treasurer shall distribute such taxes as may be
32 collected in the same manner as if such property were located outside a
33 redevelopment district. Each redevelopment district established under the
34 provisions of this act shall constitute a separate taxing unit for the purpose
35 of the computation and levy of taxes.

36 (c) Beginning with the first payment of taxes which are levied
37 following the date of approval of any redevelopment district established
38 pursuant to K.S.A. 74-8921, and amendments thereto, real property taxes
39 received by the county treasurer resulting from taxes which are levied
40 subject to the provisions of this act by and for the benefit of a taxing
41 subdivision, as herein defined, on property located within such
42 redevelopment district constituting a separate taxing unit under the
43 provisions of this section, shall be divided as follows:

1 (1) From the taxes levied each year subject to the provisions of this
2 act by or for each of the taxing subdivisions upon property located within a
3 redevelopment district constituting a separate taxing unit under the
4 provisions of this act, the county treasurer first shall allocate and pay to
5 each such taxing subdivision all of the real property taxes collected which
6 are produced from that portion of the current assessed valuation of such
7 real property located within such separate taxing unit which is equal to the
8 total assessed value of such real property on the date of the establishment
9 of the redevelopment district.

10 (2) Any real property taxes produced from that portion of the current
11 assessed valuation of real property within the redevelopment district
12 constituting a separate taxing unit under the provisions of this section in
13 excess of an amount equal to the total assessed value of such real property
14 on the effective date of the establishment of the district shall be allocated
15 and paid by the county treasurer according to specified percentages of the
16 tax increment expressly agreed upon and consented to by the governing
17 bodies of the county and school district in which the redevelopment
18 district is located. The amount of the real property taxes allocated and
19 payable to the authority under the agreement shall be paid by the county
20 treasurer to the treasurer of the state. The remaining amount of the real
21 property taxes not payable to the authority shall be allocated and paid in
22 the same manner as other ad valorem taxes. Any real property taxes paid to
23 the state treasurer under this section shall be deposited in the
24 redevelopment bond finance fund of the authority which is created
25 pursuant to K.S.A. 74-8927, and amendments thereto, to pay the costs of
26 any approved redevelopment project, including the payment of principal of
27 and interest on any bonds issued by the authority to finance, in whole or in
28 part, such project. When such bonds and interest thereon have been paid,
29 all moneys thereafter received from real property taxes within such
30 redevelopment district shall be allocated and paid to the respective taxing
31 subdivisions in the same manner as are other ad valorem taxes. If such
32 bonds and interest thereon have been paid before the completion of a
33 project, the authority may continue to use such moneys for any purpose
34 authorized by the redevelopment agreement until such time as the project
35 costs are paid or reimbursed, but for a period not to exceed the final
36 scheduled maturity of the bonds.

37 (d) In any redevelopment plan or in the proceedings for the issuing of
38 any bonds by the authority to finance a project, the property tax increment
39 portion of taxes provided for in subsection (c)(2) may be irrevocably
40 pledged for the payment of the principal of and interest on such bonds. The
41 authority may adopt a redevelopment plan in which only a specified
42 percentage of the tax increment realized from taxpayers in the
43 redevelopment district is pledged to the payment of costs.

1 Sec. 91. K.S.A. 2016 Supp. 74-99b43 is hereby amended to read as
2 follows: 74-99b43. (a) The Kansas development finance authority is
3 hereby authorized to issue special obligation bonds pursuant to K.S.A. 74-
4 8901 et seq., and amendments thereto, in one or more series to finance the
5 undertaking of any bioscience development project in accordance with the
6 provisions of this act. No special obligation bonds may be issued pursuant
7 to this section unless the Kansas development finance authority has
8 received a resolution of the board of the authority requesting the issuance
9 of such bonds. Such special obligation bonds shall be made payable, both
10 as to principal and interest from one or more of the following, as directed
11 by the authority:

12 (1) From ad valorem tax increments allocated to, and paid into the
13 bioscience development bond fund for the payment of the project costs of
14 a bioscience development project under the provisions of this section;

15 (2) from any private sources, contributions or other financial
16 assistance from the state or federal government;

17 (3) from a pledge of a portion or all of the revenue received from
18 transient guest, sales and use taxes collected pursuant to K.S.A. 12-1696 et
19 seq., 79-3601 et seq., 79-3701 et seq. and 12-187 et seq., and amendments
20 thereto, and which are collected from taxpayers doing business within that
21 portion of the bioscience development district and paid into the bioscience
22 development bond fund;

23 (4) from a pledge of a portion or all increased revenue received by
24 any city from franchise fees collected from utilities and other businesses
25 using public right-of-way within the bioscience development district; or

26 (5) by any combination of these methods.

27 (b) All tangible taxable property located within a bioscience
28 development district shall be assessed and taxed for ad valorem tax
29 purposes pursuant to law in the same manner that such property would be
30 assessed and taxed if located outside such district, and all ad valorem taxes
31 levied on such property shall be paid to and collected by the county
32 treasurer in the same manner as other taxes are paid and collected. Except
33 as otherwise provided in this section, the county treasurer shall distribute
34 such taxes as may be collected in the same manner as if such property
35 were located outside a bioscience development district. Each bioscience
36 development district established under the provisions of this act shall
37 constitute a separate taxing unit for the purpose of the computation and
38 levy of taxes.

39 (c) Beginning with the first payment of taxes which are levied
40 following the date of the establishment of the bioscience development
41 district real property taxes received by the county treasurer resulting from
42 taxes which are levied subject to the provisions of this act by and for the
43 benefit of a taxing subdivision, as defined in K.S.A. 2016 Supp. 12-1770a,

1 and amendments thereto, on property located within such bioscience
2 development district constituting a separate taxing unit under the
3 provisions of this section, shall be divided as follows:

4 (1) From the taxes levied each year subject to the provisions of this
5 act by or for each of the taxing subdivisions upon property located within a
6 bioscience development district constituting a separate taxing unit under
7 the provisions of this act, the county treasurer first shall allocate and pay to
8 each such taxing subdivision all of the real property taxes collected which
9 are produced from the base year assessed valuation.

10 (2) Any real property taxes, except for property taxes levied for
11 schools pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 13*, and
12 amendments thereto, produced from that portion of the current assessed
13 valuation of real property within the bioscience development district
14 constituting a separate taxing unit under the provisions of this section in
15 excess of the base year assessed valuation shall be allocated and paid by
16 the county treasurer to the bioscience development bond fund to pay the
17 bioscience development project costs including the payment of principal
18 and interest on any special obligation bonds to finance, in whole or in part,
19 such bioscience development projects.

20 (d) The authority may pledge the bioscience development bond fund
21 or other available revenue to the repayment of such special obligation
22 bonds prior to, simultaneously with, or subsequent to the issuance of such
23 special obligation bonds.

24 (e) Any bonds issued under the provisions of this act and the interest
25 paid thereon, unless specifically declared to be taxable in the authorizing
26 resolution of the Kansas development finance authority, shall be exempt
27 from all state, county and municipal taxes, and the exemption shall include
28 income, estate and property taxes.

29 Sec. 92. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as
30 follows: 75-2319. (a) There is hereby established in the state treasury the
31 school district capital improvements fund. The fund shall consist of all
32 amounts transferred thereto under the provisions of subsection (c).

33 (b) In each school year, each school district which is obligated to
34 make payments from its capital improvements fund shall be entitled to
35 receive payment from the school district capital improvements fund in an
36 amount determined by the state board of education as provided in this
37 subsection.

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

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

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

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

11 (D) determine a state aid percentage factor for each school district by
12 assigning a state aid computation percentage to the amount of the median
13 AVPP shown on the schedule, decreasing the state aid computation
14 percentage assigned to the amount of the median AVPP by one percentage
15 point for each \$1,000 interval above the amount of the median AVPP, and
16 increasing the state aid computation percentage assigned to the amount of
17 the median AVPP by one percentage point for each \$1,000 interval below
18 the amount of the median AVPP. Except as provided by K.S.A. 2016 Supp.
19 75-2319c, and amendments thereto, the state aid percentage factor of a
20 school district is the percentage assigned to the schedule amount that is
21 equal to the amount of the AVPP of the school district. The state aid
22 percentage factor of a school district shall not exceed 100%. The state aid
23 computation percentage is 25%;

24 (E) determine the amount of payments that a school district is
25 obligated to make from its bond and interest fund attributable to general
26 obligation bonds approved for issuance at an election held prior to July 1,
27 2015; and

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

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

32 (A) Determine the amount of the AVPP of each school district in the
33 state *for the preceding school year* and round such amount to the nearest
34 \$1,000. The rounded amount is the AVPP of a school district for the
35 purposes of this subsection (b)(2);

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

42 (C) determine a state aid percentage factor for each school district by
43 assigning a state aid computation percentage to the amount of the lowest

1 AVPP shown on the schedule and decreasing the state aid computation
2 percentage assigned to the amount of the lowest AVPP by one percentage
3 point for each \$1,000 interval above the amount of the lowest AVPP.
4 Except as provided by K.S.A. 2016 Supp. 75-2319c, and amendments
5 thereto, the state aid percentage factor of a school district is the percentage
6 assigned to the schedule amount that is equal to the amount of the AVPP of
7 the school district. The state aid computation percentage is 75%;

8 (D) determine the amount of payments that a school district is
9 obligated to make from its bond and interest fund attributable to general
10 obligation bonds approved for issuance at an election held on or after July
11 1, 2015; and

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

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

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

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

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

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

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

43 (c) impact on the delivery of educational services as demonstrated by

1 restrictive inflexible design or limitations on installation of technology;
2 and

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

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

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

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

21 (6) *A school district that had an enrollment of less than 260 students*
22 *in the school year immediately preceding the school year in which an*
23 *election is held to approve the issuance of general obligation bonds shall*
24 *not be entitled to receive payments from the school district capital*
25 *improvements fund unless such school district applied for and receive*
26 *approval from the state board of education to issue such bonds prior to*
27 *holding an election to approve such bond issuance. The provisions of this*
28 *paragraph shall apply to general obligation bonds approved for issuance*
29 *at an election held on or after July 1, 2017, that are issued for the purpose*
30 *of financing the construction of new school facilities.*

31 (c) The state board of education shall certify to the director of
32 accounts and reports the entitlements of school districts determined under
33 the provisions of subsection (b), and an amount equal thereto shall be
34 transferred by the director from the state general fund to the school district
35 capital improvements fund for distribution to school districts. All transfers
36 made in accordance with the provisions of this subsection shall be
37 considered to be demand transfers from the state general fund, except that
38 all such transfers during the fiscal years ending June 30, 2013, June 30,
39 2014, June 30, 2015, and June 30, 2016, shall be considered to be revenue
40 transfers from the state general fund.

41 (d) Payments from the school district capital improvements fund shall
42 be distributed to school districts at times determined by the state board of
43 education to be necessary to assist school districts in making scheduled

1 payments pursuant to contractual bond obligations. The state board of
2 education shall certify to the director of accounts and reports the amount
3 due each school district entitled to payment from the fund, and the director
4 of accounts and reports shall draw a warrant on the state treasurer payable
5 to the treasurer of the school district. Upon receipt of the warrant, the
6 treasurer of the school district shall credit the amount thereof to the bond
7 and interest fund of the school district to be used for the purposes of such
8 fund.

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

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

21 Sec. 93. K.S.A. 2016 Supp. 79-201x is hereby amended to read as
22 follows: 79-201x. For taxable years ~~2015 and 2016~~ 2017 and 2018, the
23 following described property, to the extent herein specified, shall be and is
24 hereby exempt from the property tax levied pursuant to the provisions of
25 ~~K.S.A. 2016 Supp. 72-6470~~ section 13, and amendments thereto: Property
26 used for residential purposes to the extent of \$20,000 of its appraised
27 valuation.

28 Sec. 94. K.S.A. 2016 Supp. 79-213 is hereby amended to read as
29 follows: 79-213. (a) Any property owner requesting an exemption from the
30 payment of ad valorem property taxes assessed, or to be assessed, against
31 their property shall be required to file an initial request for exemption, on
32 forms approved by the state board of tax appeals and provided by the
33 county appraiser.

34 (b) The initial exemption request shall identify the property for which
35 the exemption is requested and state, in detail, the legal and factual basis
36 for the exemption claimed.

37 (c) The request for exemption shall be filed with the county appraiser
38 of the county where such property is principally located.

39 (d) After a review of the exemption request, and after a preliminary
40 examination of the facts as alleged, the county appraiser shall recommend
41 that the exemption request either be granted or denied, and, if necessary,
42 that a hearing be held. If a denial is recommended, a statement of the
43 controlling facts and law relied upon shall be included on the form.

1 (e) The county appraiser, after making such written recommendation,
2 shall file the request for exemption and the recommendations of the county
3 appraiser with the state board of tax appeals. With regard to a request for
4 exemption from property tax pursuant to the provisions of K.S.A. 79-201g
5 and 82a-409, and amendments thereto, not filed with the board of tax
6 appeals by the county appraiser on or before the effective date of this act,
7 if the county appraiser recommends the exemption request be granted, the
8 exemption shall be provided in the amount recommended by the county
9 appraiser and the county appraiser shall not file the request for exemption
10 and recommendations of the county appraiser with the state board of tax
11 appeals. The county clerk or county assessor shall annually make such
12 adjustment in the taxes levied against the real property as the owner may
13 be entitled to receive under the provisions of K.S.A. 79-201g, and
14 amendments thereto, as recommended by the county appraiser, beginning
15 with the first period, following the date of issue of the certificate of
16 completion on which taxes are regularly levied, and during the years
17 which the landowner is entitled to such adjustment.

18 (f) Upon receipt of the request for exemption, the board shall docket
19 the same and notify the applicant and the county appraiser of such fact.

20 (g) After examination of the request for exemption and the county
21 appraiser's recommendation related thereto, the board may fix a time and
22 place for hearing, and shall notify the applicant and the county appraiser of
23 the time and place so fixed. A request for exemption pursuant to: (1)
24 Section 13 of article 11 of the constitution of the state of Kansas; or (2)
25 K.S.A. 79-201a *Second*, and amendments thereto, for property constructed
26 or purchased, in whole or in part, with the proceeds of revenue bonds
27 under the authority of K.S.A. 12-1740 to 12-1749, inclusive, and
28 amendments thereto, prepared in accordance with instructions and
29 assistance which shall be provided by the department of commerce, shall
30 be deemed approved unless scheduled for hearing within 30 days after the
31 date of receipt of all required information and data relating to the request
32 for exemption, and such hearing shall be conducted within 90 days after
33 such date. Such time periods shall be determined without regard to any
34 extension or continuance allowed to either party to such request. In any
35 case where a party to such request for exemption requests a hearing
36 thereon, the same shall be granted. Hearings shall be conducted in
37 accordance with the provisions of the Kansas administrative procedure act.
38 In all instances where the board sets a request for exemption for hearing,
39 the county shall be represented by its county attorney or county counselor.

40 (h) Except as otherwise provided by subsection (g), in the event of a
41 hearing, the same shall be originally set not later than 90 days after the
42 filing of the request for exemption with the board.

43 (i) During the pendency of a request for exemption, no person, firm,

1 unincorporated association, company or corporation charged with real
2 estate or personal property taxes pursuant to K.S.A. 79-2004 and 79-
3 2004a, and amendments thereto, on the tax books in the hands of the
4 county treasurer shall be required to pay the tax from the date the request
5 is filed with the county appraiser until the expiration of 30 days after the
6 board issued its order thereon and the same becomes a final order. In the
7 event that taxes have been assessed against the subject property, no interest
8 shall accrue on any unpaid tax for the year or years in question nor shall
9 the unpaid tax be considered delinquent from the date the request is filed
10 with the county appraiser until the expiration of 30 days after the board
11 issued its order thereon. In the event the board determines an application
12 for exemption is without merit and filed in bad faith to delay the due date
13 of the tax, the tax shall be considered delinquent as of the date the tax
14 would have been due pursuant to K.S.A. 79-2004 and 79-2004a, and
15 amendments thereto, and interest shall accrue as prescribed therein.

16 (j) In the event the board grants the initial request for exemption, the
17 same shall be effective beginning with the date of first exempt use except
18 that, with respect to property the construction of which commenced not to
19 exceed 24 months prior to the date of first exempt use, the same shall be
20 effective beginning with the date of commencement of construction.

21 (k) In conjunction with its authority to grant exemptions, the board
22 shall have the authority to abate all unpaid taxes that have accrued from
23 and since the effective date of the exemption. In the event that taxes have
24 been paid during the period where the subject property has been
25 determined to be exempt, the board shall have the authority to order a
26 refund of taxes for the year immediately preceding the year in which the
27 exemption application is filed in accordance with subsection (a).

28 (l) The provisions of this section shall not apply to: (1) Farm
29 machinery and equipment exempted from ad valorem taxation by K.S.A.
30 79-201j, and amendments thereto; (2) personal property exempted from ad
31 valorem taxation by K.S.A. 79-215, and amendments thereto; (3) wearing
32 apparel, household goods and personal effects exempted from ad valorem
33 taxation by K.S.A. 79-201c, and amendments thereto; (4) livestock; (5) all
34 property exempted from ad valorem taxation by K.S.A. 79-201d, and
35 amendments thereto; (6) merchants' and manufacturers' inventories
36 exempted from ad valorem taxation by K.S.A. 79-201m, and amendments
37 thereto; (7) grain exempted from ad valorem taxation by K.S.A. 79-201n,
38 and amendments thereto; (8) property exempted from ad valorem taxation
39 by K.S.A. 79-201a *Seventeenth*, and amendments thereto, including all
40 property previously acquired by the secretary of transportation or a
41 predecessor in interest, which is used in the administration, construction,
42 maintenance or operation of the state system of highways. The secretary of
43 transportation shall at the time of acquisition of property notify the county

1 appraiser in the county in which the property is located that the acquisition
2 occurred and provide a legal description of the property acquired; (9)
3 property exempted from ad valorem taxation by K.S.A. 79-201a *Ninth*,
4 and amendments thereto, including all property previously acquired by the
5 Kansas turnpike authority which is used in the administration,
6 construction, maintenance or operation of the Kansas turnpike. The Kansas
7 turnpike authority shall at the time of acquisition of property notify the
8 county appraiser in the county in which the property is located that the
9 acquisition occurred and provide a legal description of the property
10 acquired; (10) aquaculture machinery and equipment exempted from ad
11 valorem taxation by K.S.A. 79-201j, and amendments thereto. As used in
12 this section, "aquaculture" has the same meaning ascribed thereto by
13 K.S.A. 47-1901, and amendments thereto; (11) Christmas tree machinery
14 and equipment exempted from ad valorem taxation by K.S.A. 79-201j, and
15 amendments thereto; (12) property used exclusively by the state or any
16 municipality or political subdivision of the state for right-of-way purposes.
17 The state agency or the governing body of the municipality or political
18 subdivision shall at the time of acquisition of property for right-of-way
19 purposes notify the county appraiser in the county in which the property is
20 located that the acquisition occurred and provide a legal description of the
21 property acquired; (13) machinery, equipment, materials and supplies
22 exempted from ad valorem taxation by K.S.A. 79-201w, and amendments
23 thereto; (14) vehicles owned by the state or by any political or taxing
24 subdivision thereof and used exclusively for governmental purposes; (15)
25 property used for residential purposes which is exempted pursuant to
26 K.S.A. 79-201x, and amendments thereto, from the property tax levied
27 pursuant to ~~K.S.A. 2016 Supp. 72-6470~~ *section 13*, and amendments
28 thereto; (16) from and after July 1, 1998, vehicles which are owned by an
29 organization having as one of its purposes the assistance by the provision
30 of transit services to the elderly and to disabled persons and which are
31 exempted pursuant to K.S.A. 79-201 *Ninth*, and amendments thereto; (17)
32 from and after July 1, 1998, motor vehicles exempted from taxation by
33 K.S.A. 79-5107(e), and amendments thereto; (18) commercial and
34 industrial machinery and equipment exempted from property or ad
35 valorem taxation by K.S.A. 2016 Supp. 79-223, and amendments thereto;
36 (19) telecommunications machinery and equipment and railroad
37 machinery and equipment exempted from property or ad valorem taxation
38 by K.S.A. 2016 Supp. 79-224, and amendments thereto; and (20) property
39 exempted from property or ad valorem taxation by K.S.A. 2016 Supp. 79-
40 234, and amendments thereto.

41 (m) The provisions of this section shall apply to property exempt
42 pursuant to the provisions of section 13 of article 11 of the constitution of
43 the state of Kansas.

1 (n) The provisions of subsection (k) as amended by this act shall be
2 applicable to all exemption applications filed in accordance with
3 subsection (a) after December 31, 2001.

4 Sec. 95. K.S.A. 2016 Supp. 79-2001 is hereby amended to read as
5 follows: 79-2001. (a) As soon as the county treasurer receives the tax roll
6 of the county, the treasurer shall enter in a column opposite the description
7 of each tract or parcel of land the amount of unpaid taxes and the date of
8 unredeemed sales, if any, for previous years on such land. The treasurer
9 shall cause a notice to be published in the official county paper once each
10 week for three consecutive weeks, stating in the notice the amount of taxes
11 charged for state, county, township, school, city or other purposes for that
12 year, on each \$1,000 of valuation.

13 (b) Each year after receipt of the tax roll from the county clerk and
14 before December 15, the treasurer shall mail to each taxpayer, as shown by
15 the rolls, a tax statement which indicates the taxing unit, assessed value of
16 real and personal property, the mill levy and tax due. In addition, with
17 respect to land devoted to agricultural use, such statement shall indicate
18 the acreage and description of each parcel of such land. The tax statement
19 shall also indicate separately each parcel of real property which is
20 separately classified for property tax purposes. The county appraiser shall
21 provide the information necessary for the county treasurer to comply with
22 the provisions of this section. The tax statement also may include the
23 intangible tax due the county. All items may be on one statement or may
24 be shown on separate statements and may be on a form prescribed by the
25 county treasurer. The statement shall be mailed to the last known address
26 of the taxpayer or to a designee authorized by the taxpayer to accept the
27 tax statement, if the designee has an interest in receiving the statement.
28 When any statement is returned to the county treasurer for failure to find
29 the addressee, the treasurer shall make a diligent effort to find a
30 forwarding address of the taxpayer and mail the statement to the new
31 address. All tax statements mailed pursuant to this section shall be mailed
32 by first-class mail. The requirement for mailing a tax statement shall
33 extend only to the initial statement required to be mailed in each year and
34 to any follow-up required by this section.

35 (c) For tax year 1998, and all tax years thereafter, after receipt of the
36 tax roll from the county clerk and before December 15, the treasurer shall
37 mail to each taxpayer, as shown by the tax rolls, a tax information form
38 which indicates the taxing unit, assessed value of real property for the
39 current and next preceding taxable year, the mill levy for the current and
40 next preceding taxable year and, in the case of unified school districts, the
41 mill levy required by ~~K.S.A. 2016 Supp. 72-6470~~ section 13, and
42 amendments thereto, shall be separately indicated, the tax due and an
43 itemization of each taxing unit's mill levy for the current and next

1 preceding taxable year and the percentage change in the amount of
2 revenue produced therefrom, if any. In addition, with respect to land
3 devoted to agricultural use, such form shall indicate the acreage and
4 description of each parcel of such land. The tax information form shall
5 also indicate separately each parcel of real property which is separately
6 classified for property tax purposes. The county appraiser shall provide the
7 information necessary for the county treasurer to comply with the
8 provisions of this section. The tax information form may be separate from
9 the tax statement or a part of the tax statement. The tax information form
10 shall be in a format prescribed by the director of property valuation. The
11 tax information form shall be mailed to the last known address of the
12 taxpayer. When a tax information form is returned to the county treasurer
13 for failure to find the addressee, the treasurer shall make a diligent effort to
14 find a forwarding address of the taxpayer and mail the tax information
15 form to the new address. All tax information forms mailed pursuant to this
16 section shall be mailed by first class mail.

17 Sec. 96. K.S.A. 2016 Supp. 79-2925b is hereby amended to read as
18 follows: 79-2925b. (a) Without a majority vote so providing, the governing
19 body of any municipality shall not approve any appropriation or budget, as
20 the case requires, which may be funded by revenue produced from
21 property taxes, and which provides for funding with such revenue in an
22 amount exceeding that of the next preceding year, adjusted to reflect
23 changes in the consumer price index for all urban consumers as published
24 by the United States department of labor for the preceding calendar year. If
25 the total tangible property valuation in any municipality increases from the
26 next preceding year due to increases in the assessed valuation of existing
27 tangible property and such increase exceeds changes in the consumer price
28 index, the governing body shall lower the amount of ad valorem tax to be
29 levied to the amount of ad valorem tax levied in the next preceding year,
30 adjusted to reflect changes in the consumer price index. This subsection
31 shall not apply to ad valorem taxes levied under K.S.A. 76-6b01 and 76-
32 6b04 and ~~K.S.A. 2016 Supp. 72-6470 section 13~~, and amendments thereto,
33 and any other ad valorem tax levy which was previously approved by the
34 voters of such municipality. Notwithstanding the requirements of this
35 subsection, nothing herein shall prohibit a municipality from increasing
36 the amount of ad valorem tax to be levied if the municipality approves the
37 proposed increase with a majority vote of the governing body by the
38 adoption of a resolution and publishes its vote to approve the appropriation
39 or budget including the increase as provided in subsection (c).

40 (b) Revenue that, in the current year, is produced and attributable to
41 the taxation of:

- 42 (1) New improvements to real property;
- 43 (2) increased personal property valuation;

- 1 (3) property located within added jurisdictional territory; or
- 2 (4) property which has changed in use shall not be considered when
- 3 determining whether revenue produced from property has increased from
- 4 the next preceding year.

5 (c) In the event the governing body votes to approve any
 6 appropriation or budget, as the case requires, which may be funded by
 7 revenue produced from property taxes, and which provides for funding
 8 with such revenue in an amount exceeding that of the next preceding year
 9 as provided in subsection (a), notice of such vote shall be published in the
 10 official county newspaper of the county where such municipality is
 11 located.

12 (d) The provisions of this section shall be applicable to all fiscal and
 13 budget years commencing on and after the effective date of this act.

14 (e) The provisions of this section shall not apply to revenue received
 15 from property tax levied for the sole purpose of repayment of the principal
 16 of and interest upon bonded indebtedness, temporary notes and no-fund
 17 warrants.

18 (f) For purposes of this section:

19 (1) "Municipality" means any political subdivision of the state which
 20 levies an ad valorem tax on property and includes, but is not limited to,
 21 any township, municipal university, school district, community college,
 22 drainage district or other taxing district;

23 (2) "municipality" shall not include:

24 (A) Any such political subdivision or taxing district which receives
 25 \$1,000 or less in revenue from property taxes in the current year; or

26 (B) any city or county.

27 Sec. 97. In sections 1 and 2, if any fund or account name described by
 28 words and the numerical accounting code that follows such fund or
 29 account name do not match, it shall be conclusively presumed that the
 30 legislature intended that the fund or account name described by words is
 31 the correct fund or account name, and such fund or account name
 32 described by words shall control over a contradictory or incorrect
 33 numerical accounting code.

34 Sec. 98. K.S.A. 2016 Supp. 10-1116a, 12-1677, 12-1770a, 12-1775a,
 35 12-1776a, 46-1133, 72-978, 72-1046b, 72-1398, 72-1414, 72-1923, 72-
 36 3712, 72-3715, 72-5333b, 72-6482, 72-64b01, 72-64c03, 72-64c05, 72-
 37 6622, 72-6624, 72-6625, 72-6757, 72-67,115, 72-7535, 72-8187, 72-8190,
 38 72-8230, 72-8233, 72-8236, 72-8249, 72-8250, 72-8251, 72-8302, 72-
 39 8309, 72-8316, 72-8415b, 72-8801, 72-8804, 72-8908, 72-9509, 72-9609,
 40 72-99a02, 74-4939a, 74-8925, 74-99b43, 75-2319, 79-201x, 79-213, 79-
 41 2001 and 79-2925b are hereby repealed.

42 Sec. 99. On and after July 1, 2018, K.S.A. 2016 Supp. 72-99a02, as
 43 amended by section 87 of this act, is hereby repealed.

1 Sec. 100. This act shall take effect and be in force from and after its
2 publication in the statute book.