Session of 2021

HOUSE BILL No. 2359

By Committee on K-12 Education Budget

2-11

AN ACT concerning education finance; relating to the Kansas school 1 2 equity and enhancement act; establishing the nonproficient student 3 weighting; amending K.S.A. 2020 Supp. 72-5131, 72-5132 and 72-4 5171 and repealing the existing sections. 5 6 *Be it enacted by the Legislature of the State of Kansas:* 7 New Section 1. (a) The nonproficient student weighting of each 8 district shall be determined by the state board as follows: 9 (1) Determine the number of students who are not at-risk students as 10 defined in K.S.A. 72-5132, and amendments thereto, who scored below 11 proficiency or failed to meet the standards established by the state board 12 on either the mathematics or reading state assessments in the preceding 13 school year; and 14 (2) multiply the number determined under paragraph (1) by 0.0802. The product shall be the nonproficient student weighting of the district. 15 16 (b) (1) If the state board determines that, as a result of the occurrence of a disaster in the school district, students in the school district are unable 17 to participate in the state assessments, the nonproficient student weighting 18 19 of the school district shall be equal to the nonproficient student weighting 20 of the district in the preceding school year. 21 (2) As used in this subsection, "disaster" means the occurrence of 22 widespread or severe damage, injury or loss of life or property resulting 23 from any natural or human cause, including, but not limited to, fire, flood, 24 earthquake, tornado, wind, storm, drought, epidemic, air contamination, 25 blight, drought, infestation or explosion. 26 Sec. 2. K.S.A. 2020 Supp. 72-5131 is hereby amended to read as 27 follows: 72-5131. K.S.A. 72-5131 through 72-5176, and amendments 28 thereto, and K.S.A. 2020 Supp. 72-5178-and, 72-5179 and section 1, and 29 amendments thereto, shall be known and may be cited as the Kansas 30 school equity and enhancement act. 31 Sec. 3. K.S.A. 2020 Supp. 72-5132 is hereby amended to read as 32 follows: 72-5132. As used in the Kansas school equity and enhancement 33 act, K.S.A. 72-5131 et seq., and amendments thereto: 34 (a) "Adjusted enrollment" means the enrollment of a school district 35 adjusted by adding the following weightings, if any, to the enrollment of a

36 school district: At-risk student weighting; bilingual weighting; career

1 technical education weighting; high-density at-risk student weighting; high

2 enrollment weighting; low enrollment weighting; nonproficient student 3 weighting; school facilities weighting; ancillary school facilities weighting; cost-of-living weighting; special education and related services 4 5 weighting; and transportation weighting.

6 (b) "Ancillary school facilities weighting" means an addend 7 component assigned to the enrollment of school districts pursuant to 8 K.S.A. 72-5158, and amendments thereto, on the basis of costs attributable 9 to commencing operation of one or more new school facilities by such 10 school districts.

11 (c) (1) "At-risk student" means a student who is eligible for free 12 meals under the national school lunch act, and who is enrolled in a school 13 district that maintains an approved at-risk student assistance program.

14 (2) The term "at-risk student" shall not include any student enrolled in any of the grades one through 12 who is in attendance less than full 15 16 time, or any student who is over 19 years of age. The provisions of this paragraph shall not apply to any student who has an individualized 17 18 education program.

19 (d) "At-risk student weighting" means an addend component assigned 20 to the enrollment of school districts pursuant to K.S.A. 72-5151(a), and 21 amendments thereto, on the basis of costs attributable to the maintenance 22 of at-risk educational programs by such school districts.

23 (e) "Base aid for student excellence" or "BASE aid" means an amount 24 appropriated by the legislature in a fiscal year for the designated year. The 25 amount of BASE aid shall be as follows:

(1) For school year 2018-2019, \$4,165; 26

(2) for school year 2019-2020, \$4,436; 27

28 (3) for school year 2020-2021, \$4,569;

29 (4) for school year 2021-2022, \$4,706;

(5) for school year 2022-2023, \$4,846; and 30

31 (6) for school year 2023-2024, and each school year thereafter, the 32 BASE aid shall be the BASE aid amount for the immediately preceding school year plus an amount equal to the average percentage increase in the 33 34 consumer price index for all urban consumers in the midwest region as 35 published by the bureau of labor statistics of the United States department 36 of labor during the three immediately preceding school years rounded to 37 the nearest whole dollar amount.

38 (f) "Bilingual weighting" means an addend component assigned to 39 the enrollment of school districts pursuant to K.S.A. 72-5150, and 40 amendments thereto, on the basis of costs attributable to the maintenance 41 of bilingual educational programs by such school districts. 42

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

43 "Budget per student" means the general fund budget of a school (h)

1 district divided by the enrollment of the school district.

"Categorical fund" means and includes the following funds of a 2 (i) 3 school district: Adult education fund; adult supplementary education fund; 4 at-risk education fund; bilingual education fund; career and postsecondary 5 education fund; driver training fund; educational excellence grant program 6 fund; extraordinary school program fund; food service fund; parent 7 education program fund; preschool-aged at-risk education fund; 8 professional development fund; special education fund; and summer 9 program fund.

10 (j) "Cost-of-living weighting" means an addend component assigned 11 to the enrollment of school districts pursuant to K.S.A. 72-5159, and 12 amendments thereto, on the basis of costs attributable to the cost of living 13 in such school districts.

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

(l) "Enrollment" means:

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(1) The number of students regularly enrolled in kindergarten and 18 grades one through 12 in the school district on September 20 of the 19 20 preceding school year plus the number of preschool-aged at-risk students 21 regularly enrolled in the school district on September 20 of the current 22 school year, except a student who is a foreign exchange student shall not 23 be counted unless such student is regularly enrolled in the school district 24 on September 20 and attending kindergarten or any of the grades one 25 through 12 maintained by the school district for at least one semester or 26 two quarters, or the equivalent thereof.

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

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

35 (B) the adjusted enrollment in the second preceding school year of 36 any students participating in the tax credit for low income students 37 scholarship program pursuant to K.S.A. 72-4351 et seq., and amendments 38 thereto, in the preceding school year, if any, plus the adjusted enrollment in 39 the preceding school year of preschool-aged at-risk students who are 40 participating in the tax credit for low income students scholarship program 41 pursuant to K.S.A. 72-4351 et seq., and amendments thereto, in the current 42 school year, if any.

43 (3) For any school district that has a military student, as that term is

1 defined in K.S.A. 72-5139, and amendments thereto, enrolled in such 2 district, and that received federal impact aid for the preceding school year, 3 if the enrollment in such school district in the preceding school year has 4 decreased from enrollment in the second preceding school year, the 5 enrollment of the school district in the current school year means 6 whichever is the greater of:

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

8 (B) the sum of the enrollment in the preceding school year of 9 preschool-aged at-risk students, if any, and the arithmetic mean of the sum 10 of:

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

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

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

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

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

"Federal impact aid" means an amount equal to the federally 27 (n) 28 qualified percentage of the amount of moneys a school district receives in 29 the current school year under the provisions of title I of public law 874 and 30 congressional appropriations therefor, excluding amounts received for 31 assistance in cases of major disaster and amounts received under the lowrent housing program. The amount of federal impact aid shall be 32 33 determined by the state board in accordance with terms and conditions 34 imposed under the provisions of the public law and rules and regulations 35 thereunder.

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

43 (p) "General fund budget" means the amount budgeted for operating

1 expenses in the general fund of a school district.

2 (q) "High-density at-risk student weighting" means an addend 3 component assigned to the enrollment of school districts pursuant to 4 K.S.A. 72-5151(b), and amendments thereto, on the basis of costs 5 attributable to the maintenance of at-risk educational programs by such 6 school districts.

7 (r) "High enrollment weighting" means an addend component 8 assigned to the enrollment of school districts pursuant to K.S.A. 72-9 5149(b), and amendments thereto, on the basis of costs attributable to 10 maintenance of educational programs by such school districts.

11 (s) "Juvenile detention facility" means the same as such term is 12 defined in K.S.A. 72-1173, and amendments thereto.

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

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

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

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

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

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

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

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

41 (8) an amount equal to 70% of the federal impact aid of the school42 district.

43 (u) "Low enrollment weighting" means an addend component

1 assigned to the enrollment of school districts pursuant to K.S.A. 72-2 5149(a), and amendments thereto, on the basis of costs attributable to 3 maintenance of educational programs by such school districts.

"Nonproficient student weighting" means an addend component 4 (v)5 assigned to the enrollment of school districts pursuant to section 1, and amendments thereto. 6

 $(\mathbf{v})(w)$ "Operating expenses" means the total expenditures and lawful 7 8 transfers from the general fund of a school district during a school year for all purposes, except expenditures for the purposes specified in K.S.A. 72-9 10 5168, and amendments thereto.

(w)(x) "Preceding school year" means the school year immediately 11 12 before the current school year.

 $(\mathbf{x})(\mathbf{y})$ "Preschool-aged at-risk student" means an at-risk student who 13 has attained the age of three years, is under the age of eligibility for 14 attendance at kindergarten, and has been selected by the state board in 15 16 accordance with guidelines governing the selection of students for 17 participation in head start programs.

18 (y)(z) "Preschool-aged exceptional children" means exceptional 19 children, except gifted children, who have attained the age of three years but are under the age of eligibility for attendance at kindergarten. The 20 21 terms "exceptional children" and "gifted children" have the same meaning 22 as those terms are defined in K.S.A. 72-3404, and amendments thereto.

23 (z)(aa) "Psychiatric residential treatment facility" means the same as 24 such term is defined in K.S.A. 72-1173, and amendments thereto.

25 "School district" means a school district organized under the (aa)(bb) laws of this state that is maintaining public school for a school term in 26 27 accordance with the provisions of K.S.A. 72-3115, and amendments 28 thereto.

29 (bb)(cc) "School facilities weighting" means an addend component assigned to the enrollment of school districts pursuant to K.S.A. 72-5156, 30 31 and amendments thereto, on the basis of costs attributable to commencing 32 operation of one or more new school facilities by such school districts. 33

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

34 (dd)(ee) "September 20" has its usual meaning, except that in any 35 year in which September 20 is not a day on which school is maintained, it 36 means the first day after September 20 on which school is maintained.

37 "Special education and related services weighting" means an (ee)(ff) 38 addend component assigned to the enrollment of school districts pursuant 39 to K.S.A. 72-5157, and amendments thereto, on the basis of costs 40 attributable to the maintenance of special education and related services by 41 such school districts

"State board" means the state board of education. 42 (ff)(gg)

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

3 (hh)(ii) (1) "Student" means any person who is regularly enrolled in a 4 school district and attending kindergarten or any of the grades one through 5 12 maintained by the school district or who is regularly enrolled in a 6 school district and attending kindergarten or any of the grades one through 7 12 in another school district in accordance with an agreement entered into 8 under authority of K.S.A. 72-13,101, and amendments thereto, or who is 9 regularly enrolled in a school district and attending special education 10 services provided for preschool-aged exceptional children by the school 11 district

12 (2) (A) Except as otherwise provided in this subsection, the following13 shall be counted as one student:

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

15 (ii) a student enrolled in a school district and attending special 16 education and related services, provided for by the school district.

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(B) The following shall be counted as 1/2 student:

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

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

24 (C) A student in attendance part-time shall be counted as that 25 proportion of one student (, to the nearest 1/10), that the student's attendance 26 bears to full-time attendance.

27 (D) A student enrolled in and attending an institution of postsecondary education that is authorized under the laws of this state to 28 29 award academic degrees shall be counted as one student if the student's 30 postsecondary education enrollment and attendance together with the 31 student's attendance in either of the grades 11 or 12 is at least $\frac{5}{6}$ time. 32 otherwise the student shall be counted as that proportion of one student (, to 33 the nearest 1/10, that the total time of the student's postsecondary education 34 attendance and attendance in grades 11 or 12, as applicable, bears to full-35 time attendance.

36 (E) A student enrolled in and attending a technical college, a career 37 technical education program of a community college or other approved 38 career technical education program shall be counted as one student, if the 39 student's career technical education attendance together with the student's attendance in any of grades nine through 12 is at least 5/6 time, otherwise 40 the student shall be counted as that proportion of one student (, to the 41 nearest $1/_{10}$, that the total time of the student's career technical education 42 43 attendance and attendance in any of grades nine through 12 bears to full-

time attendance. 1

2 (F) A student enrolled in a school district and attending a non-virtual 3 school and also attending a virtual school shall be counted as that 4 proportion of one student (, to the nearest 1/10), that the student's attendance 5 at the non-virtual school bears to full-time attendance.

6 (G) A student enrolled in a school district and attending special 7 education and related services provided for by the school district and also 8 attending a virtual school shall be counted as that proportion of one 9 student (, to the nearest 1/10), that the student's attendance at the non-virtual 10 school bears to full-time attendance.

(H) (i) Except as provided in clause (ii), a student enrolled in a school 11 12 district who is not a resident of Kansas shall be counted as follows:

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

- (b) for school years 2019-2020 and 2020-2021, $\frac{3}{4}$ of a student; and
- (c) for school year 2021-2022 and each school year thereafter, $\frac{1}{2}$ of a 15 16 student. 17

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

18 (a) A student whose parent or legal guardian is an employee of the 19 school district where such student is enrolled; or

20 (b) a student who attended public school in Kansas during school 21 year 2016-2017 and who attended public school in Kansas during the 22 immediately preceding school year.

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(3) The following shall not be counted as a student: (A) An individual residing at the Flint Hills job corps center;

25 (B) except as provided in paragraph (2), an individual confined in and receiving educational services provided for by a school district at a 26 27 juvenile detention facility; and

28 an individual enrolled in a school district but housed, maintained (C) 29 and receiving educational services at a state institution or a psychiatric 30 residential treatment facility.

31 (4) A student enrolled in virtual school pursuant to K.S.A. 72-3711 et 32 seq., and amendments thereto, shall be counted in accordance with the 33 provisions of K.S.A. 72-3715, and amendments thereto.

34 (ii)(ii) "Total foundation aid" means an amount equal to the product 35 obtained by multiplying the BASE aid by the adjusted enrollment of a 36 school district.

37 "Transportation weighting" means an addend component (iii)(kk)38 assigned to the enrollment of school districts pursuant to K.S.A. 72-5148, 39 and amendments thereto, on the basis of costs attributable to the provision 40 or furnishing of transportation.

41 (kk)(ll) "Virtual school" means the same as such term is defined in 42 K.S.A. 72-3712, and amendments thereto.

43 Sec. 4. K.S.A. 2020 Supp. 72-5171 is hereby amended to read as follows: 72-5171. (a) On or before January 15 of each year, the state
 department of education shall prepare and submit a financial
 accountability report on school district funding for each school district to
 the governor and the legislature.

5 (b) Each report shall contain the information described in subsection 6 (c) for the school district in terms of actual dollar amounts for the second 7 and immediately preceding school years and budgeted dollar amounts for 8 the current school year.

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

(1) Full-time equivalent enrollment and the virtual student full-timeequivalent enrollment;

(2) demographic information, including, but not limited to, gender,
 race, ethnicity, students who are economically disadvantaged, migrants,
 English language learners and students with disabilities;

(3) total general and supplemental general funds, including a showing
of funding provided by federal sources, state sources and local sources,
and total funds per student;

(4) total capital outlay funds, including a showing of such funding
 provided by federal sources, state sources and local sources, and capital
 outlay funds per student;

(5) total bond and interest funds, including a showing of such funding
 provided by federal sources, state sources and local sources, and bond and
 interest funds per student;

(6) total of all other funds not described in paragraphs (3), (4) and (5),
excluding fund transfers, including a showing of such funding provided by
federal sources, state sources and local sources, and total funds per
student;

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

(8) general fund moneys attributable to the following:

32 (A) BASE aid;

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33 (B) high enrollment weighting;

- 34 (C) low enrollment weighting;
- 35 (D) school facilities weighting;
- 36 (E) transportation weighting;
- 37 (F) at-risk student weighting;
- 38 (G) preschool-aged at-risk student weighting;
- 39 (H) high-density at-risk student weighting;
- 40 (I) career technical education weighting;
- 41 (J) special education and related services weighting;
- 42 (K) bilingual weighting;
- 43 (L) ancillary school facilities weighting;

- 1 (M) cost-of-living weighting;
- 2 (N) declining enrollment weighting;
- 3 (O) nonproficient student weighting; and
- 4 $(\Theta)(P)$ virtual school state aid;
- 5 (9) total expenditures on the following:
- 6 (A) At-risk education programs and services;
- 7 (B) preschool-aged at-risk education programs and services;
- 8 (C) bilingual education programs and services;
- 9 (D) career and technical education programs and services;
- 10 (E) special education and related services; and
- 11 (F) virtual school programs and services; 12 (10) total expenditures from the special re
 - (10) total expenditures from the special retirement contributions fund;
- (11) expenditures and fund transfers from the supplemental general
 fund for those programs and services set forth in paragraph (9) and any
 other accounting category for which there is an expenditure or transfer
 from such fund;
- 17 (12) total expenditures from any fund for expenses incurred as a 18 result of the school district's participation in any legal proceeding 19 challenging the constitutional adequacy of any school finance laws under 20 section 6 of article 6 of the constitution of the state of Kansas, regardless 21 of whether such school district was a named party in such legal 22 proceedings, and including any dues, fees or other expenses incurred by 23 such school district as a result of its membership in any organization that 24 participates in any legal proceeding challenging the constitutional 25 adequacy of any school finance laws under section 6 of article 6 of the constitution of the state of Kansas, and the aggregate amount of such 26 27 expenditures made on and after July 1, 2010; and
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(13) general obligation bond indebtedness.

- (d) All reports prepared pursuant to this section shall be published in
 accordance with K.S.A. 2020 Supp. 72-1181, and amendments thereto.
- (e) The state board shall provide uniform guidelines for what
 constitutes total expenditures for the programs and services listed under
 subsection (c)(9).
- 34 Sec. 5. K.S.A. 2020 Supp. 72-5131, 72-5132 and 72-5171 are hereby 35 repealed.
- 36 Sec. 6. This act shall take effect and be in force from and after its 37 publication in the statute book.