

House Substitute for Substitute SENATE BILL No. 111

AN ACT concerning school districts; relating to the use of moneys by school districts; relating to special education state aid; amending K.S.A. 72-3607, 72-6420, 72-6423 and 72-8237 and K.S.A. 2010 Supp. 72-965, 72-978, 72-3715, 72-6414a, 72-6414b, 72-6421, 72-6426, 72-8250, 72-9509 and 72-9609 and repealing the existing sections.

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

New Section 1. (a) For school year 2011-2012, subject to any limitations as provided in this act, any school district may expend the unencumbered balance of the moneys held in the at-risk education fund, as provided in K.S.A. 76-6414a, and amendments thereto, bilingual education fund, as provided in K.S.A. 72-9509, and amendments thereto, contingency reserve fund, as provided in K.S.A. 72-6426, and amendments thereto, driver training fund, as provided in K.S.A. 72-6423, and amendments thereto, parent education program fund, as provided in K.S.A. 72-3607, and amendments thereto, preschool-aged at-risk education fund, as provided in K.S.A. 72-6414b, and amendments thereto, professional development fund, as provided in K.S.A. 72-9609, and amendments thereto, summer program fund, as provided in K.S.A. 72-8237, and amendments thereto, textbook and student materials revolving fund, as provided in K.S.A. 72-8250, and amendments thereto, special education fund, as provided in K.S.A. 72-965 and 72-6420, and amendments thereto, virtual school fund, as provided in K.S.A. 72-3715, and amendments thereto, and vocational education fund, as provided in K.S.A. 72-6421, and amendments thereto, to pay for general operating expenses of the district out of the general fund as approved by the board of education of such district.

The board of education of a school district shall consider the use of such funds in the following order of priority:

- (1) At-risk education fund, bilingual education fund, contingency reserve fund, driver training fund, parent education program fund, preschool-aged at-risk education fund, professional development fund, summer program fund, virtual school fund and vocational education fund;
- (2) textbook and student materials revolving fund; and
- (3) special education fund.

The board of education of a school district shall not be limited to the order of priority as listed in this subsection if the board so chooses. The board of education of a school district shall not be required to use the total amount of the unencumbered balance of moneys in a fund before using the unencumbered balance of moneys in another fund.

(b) The amount of money expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section shall not exceed, in the aggregate, an amount determined by the state board of education. Such amount shall be determined by the state board as follows:

- (1) Determine the adjusted enrollment of the district, excluding special education and related services weighting;
- (2) subtract the amount of base state aid per pupil appropriated to the department of education for fiscal year 2012 from \$4,012; and
- (3) multiply the difference obtained under paragraph (2) by the number determined under paragraph (1). The product is the aggregate amount of moneys that may be expended by a school district in school year 2011-2012 from the unencumbered balance of moneys in the funds under subsection (a) of this section.

(c) It is the public policy goal of the state of Kansas that at least 65% of the aggregate of all unencumbered balances authorized to be expended for general operating expenses pursuant to subsection (a) shall be expended in the classroom or for instruction, as provided in K.S.A. 2010 Supp. 72-64c01, and amendments thereto.

Sec. 2. K.S.A. 2010 Supp. 72-965 is hereby amended to read as follows: 72-965. (a) The state board shall be responsible for the distribution and allocation of state and federal funds for special education. Such moneys shall be expended only in accordance with and for the purposes specified in federal or state law. Payments under this act may be made in installments and in advance or by way of reimbursement, with necessary adjustments for overpayments or underpayments. Federal funds for special education shall be deposited in the state treasury.

(b) The state board is hereby authorized to accept from an individual or individuals, the United States government or any of its agencies or any other public or private body, grants or contributions of money, funds or property which the state board may authorize to be used in accordance with

appropriation acts, for or in aid of special education or related services or any of the purposes authorized by the federal law or this act.

(c) (1) Each board may use up to 15% of the amount it receives each year under the federal law to develop and implement coordinated, early intervening services for students in kindergarten through grade 12, with a particular emphasis on students in kindergarten through grade ~~3~~ *three*, who have not been identified as needing special education or related services but who appear to need additional academic and behavioral support to succeed in a general education environment.

(2) In implementing coordinated, early intervening services under this subsection, a board may carry out activities that include:

(A) Providing professional development for teachers and other school staff to enable such personnel to deliver scientifically based academic instruction and behavioral interventions, including scientifically based literacy instruction and, where appropriate, instruction on the use of adaptive and instructional software; and

(B) providing educational and behavioral evaluations, services and supports, including scientifically based literacy instruction.

(3) Each board that develops and maintains coordinated, early intervening services under this subsection shall annually report to the department:

(A) The number of students served under this subsection; and

(B) the number of students served under this subsection who subsequently receive special education and related services under this title during the ~~2-year~~ *two-year* period preceding each report.

(d) *Except for moneys received under K.S.A. 72-978, and amendments thereto, from cooperative agreements entered into under K.S.A. 72-968, and amendments thereto, any unencumbered balance of moneys attributable to appropriations by the legislature for special education or related services remaining in the special education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed $\frac{1}{3}$ of the unencumbered balance of the school district's special education fund.*

Sec. 3. K.S.A. 2010 Supp. 72-978 is hereby amended to read as follows: 72-978. (a) Each year, the state board of education shall determine the amount of state aid for the provision of special education and related services each school district shall receive for the ensuing school year. The amount of such state aid shall be computed by the state board as provided in this section. The state board shall:

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

(2) subtract from the amount determined in paragraph (1) the total amount attributable to assignment of transportation weighting, program weighting, special education weighting and at-risk pupil weighting to enrollment of all school districts;

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

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

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

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

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

(8) add the amounts determined under paragraphs (6) and (7) to the amount of the product obtained under paragraph (5);

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

(10) subtract the amount of the sum obtained under paragraph (8) from the amount determined under paragraph (9); and

(11) multiply the remainder obtained under paragraph (10) by 92%.

The computed amount is the amount of state aid for the provision of

special education and related services aid a school district is entitled to receive for the ensuing school year.

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

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

(2) reimbursement in an amount equal to 80% of the actual travel expenses incurred for providing transportation for exceptional children to special education or related services; such reimbursement shall not be paid if such child has been counted in determining the transportation weighting of the district under the provisions of the school district finance and quality performance act;

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

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

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

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

(d) Each contracting school district which has paid amounts for the provision of special education and related services as a member of a cooperative shall be entitled to receive reimbursement under subsection (b)(4). The amount of such reimbursement for the district shall be the amount which bears the same relation to the aggregate amount available for reimbursement for the provision of special education and related services by the cooperative, as the amount paid by such district in the current school year for provision of such special education and related services bears to the aggregate of all amounts paid by all contracting school districts in the current school year by such cooperative for provision of such special education and related services.

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

(f) (1) In school year ~~2011-2012~~ 2012-2013 and in each school year thereafter, the state board of education shall determine the minimum and

maximum amount of state aid that a school district may receive under paragraph (4) of subsection (b) for the current school year as follows:

(A) Determine the total amount of moneys appropriated as state aid for the provision of special education and related services to all school districts for the current school year;

(B) subtract the amount of moneys paid to all school districts under paragraphs (1), (2) and (3) of subsection (b) of this section, 72-983 and K.S.A. 2010 Supp. 72-998, and amendments thereto, for the current school year;

(C) divide the remainder obtained under (B) by the total full-time equivalent enrollment of all school districts in the current school year;

(2) (A) multiply the quotient obtained under (1) (C) by the full-time equivalent enrollment of the school district in the current school year;

(B) multiply the product obtained under (2) (A) by .75. The product is the minimum amount of state aid the district may receive under paragraph (4) of subsection (b) for the current school year;

(C) multiply the quotient obtained under (2) (A) by 1.50. The product is the maximum amount of state aid the district may receive under paragraph (4) of subsection (b) for the current school year.

(3) If the amount determined under paragraph (4) of subsection (b) is less than the product obtained under (2)(B), the district shall receive state aid in an amount equal to the product obtained under (2)(B), plus any amount determined under paragraph (5) of this subsection.

(4) If the amount determined under paragraph (4) of subsection (b), plus any amount determined under paragraph (5) of this subsection, is greater than the product obtained under (2)(C), the district shall receive state aid in an amount equal to the product obtained under (2)(C). The balance of state aid remaining after determining the amount of state aid payable to districts under this paragraph shall be reallocated to districts as provided by paragraph (5) of this subsection.

(5) The balance of state aid remaining after determining the amount of state aid payable to districts under paragraph (4) of this subsection shall be reallocated to districts which have not received state aid in an amount equal to the product obtained under (2)(B). Such state aid shall be reallocated to such districts in the same manner as the original allocation. If the balance is insufficient to pay each such district the minimum amount specified in this subsection, the state board shall prorate the balance among such districts.

(6) The provisions of this subsection (f) shall expire on June 30, ~~2013~~ 2014.

Sec. 4. K.S.A. 72-3607 is hereby amended to read as follows: 72-3607. (a) There is hereby established in every school district which has developed and is operating a parent education program for which grants are awarded under this act a fund which shall be called the parent education program fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the school district from whatever source for a parent education program operated under this act shall be credited to the fund established by this section. Amounts deposited in the parent education program fund shall be used exclusively for the payment of expenses directly attributable to the program.

(b) *Any unencumbered balance of moneys remaining in the parent education program fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.*

Sec. 5. K.S.A. 2010 Supp. 72-3715 is hereby amended to read as follows: 72-3715. (a) In order to be included in the full-time equivalent enrollment of a virtual school, a pupil shall be in attendance at the virtual school on (1) a single school day on or before September 19 of each school year and (2) on a single school day on or after September 20, but before October 4 of each school year.

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

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

(2) determine the number of hours the pupil was in attendance on a

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

(3) add the numbers obtained under paragraphs (1) and (2);

(4) divide the sum obtained under paragraph (3) by 12. The quotient is the full-time equivalent enrollment of the pupil.

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

(d) (1) Subject to the availability of appropriations for virtual school state aid and within the limits of any such appropriations, each school year a school district which offers a virtual school shall be entitled to virtual school state aid.

(2) The state board of education shall determine the amount of virtual school state aid a school district is entitled to receive as follows:

(A) Multiply the full-time equivalent enrollment of the virtual school by an amount equal to 105% of the amount of base state aid per pupil;

(B) multiply the full-time equivalent enrollment of nonproficient at-risk pupils enrolled in an approved at-risk program offered by the virtual school, if any, by an amount equal to 25% of the amount of base state aid per pupil;

(C) add any amount determined under K.S.A. 2010 Supp. 72-3716, and amendments thereto; and

(D) add the amounts obtained under paragraphs (A) through (C). The sum is the amount of the virtual school state aid to which the school district is entitled.

(3) There is hereby established in every school district a fund which shall be called the virtual school fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Moneys received as virtual school state aid shall be deposited in the general fund of the school district and transferred to the virtual school fund of the district. The expenses of a district directly attributable to virtual schools offered by a school district shall be paid from the virtual school fund. The cost of an advance placement course provided to a pupil described in subsection (d)(2)(D) shall be paid by the virtual school.

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

Any unencumbered balance of moneys remaining in the virtual school fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

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

(e) For the purposes of this section, a pupil enrolled in a virtual school who is not a resident of the state of Kansas shall not be counted in the full-time equivalent enrollment of the virtual school.

Sec. 6. K.S.A. 2010 Supp. 72-6414a is hereby amended to read as follows: 72-6414a. (a) There is hereby established in every district a fund which shall be called the at-risk education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing at-risk assistance or programs, including assistance or programs provided to nonproficient pupils, shall be paid from the at-risk education fund.

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

shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the at-risk education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(c) Each year the board of education of each school district shall prepare and submit to the state board a report on the at-risk program or assistance provided by the district. Such report shall include information specifying the number of at-risk pupils and nonproficient pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

(d) In order to achieve uniform reporting of the number of at-risk pupils and nonproficient pupils provided service or assistance by school districts in at-risk programs, districts shall report the number of at-risk pupils and nonproficient pupils served or assisted in the manner required by the state board.

Sec. 7. K.S.A. 2010 Supp. 72-6414b is hereby amended to read as follows: 72-6414b. (a) There is hereby established in every district a fund which shall be called the preschool-aged at-risk education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to providing preschool-aged at-risk assistance or programs shall be paid from the preschool-aged at-risk education fund.

(b) A school district may expend amounts received from the preschool-aged at-risk weighting to pay the cost of providing at-risk, bilingual and vocational education programs and services.

(c) Any balance remaining in the preschool-aged at-risk education fund at the end of the budget year shall be carried forward into the preschool-aged at-risk education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amount on hand in the preschool-aged at-risk education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the preschool-aged at-risk education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(d) Each year the board of education of each school district shall prepare and submit to the state board a report on the preschool-aged at-risk program or assistance provided by the district. Such report shall include information specifying the number of pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

Sec. 8. K.S.A. 72-6420 is hereby amended to read as follows: 72-6420.

(a) There is hereby established in every district a fund which shall be called the special education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. Notwithstanding any other provision of law, all moneys received by the district from whatever source for special education shall be credited to the special education fund established by this section, except that (1) amounts of payments received by a district under K.S.A. 72-979, and amendments thereto, and amounts of grants, if any, received by a district under K.S.A. 72-983, and amendments thereto, shall be deposited in the general fund of the district and transferred to the special education fund, and (2) moneys received by a district pursuant to lawful agreements made under K.S.A. 72-968, and amendments thereto, shall be credited to the special fund established under the agreements.

(b) The expenses of a district directly attributable to special education

shall be paid from the special education fund and from special funds established under K.S.A. 72-968, and amendments thereto.

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

(d) Except for moneys received under K.S.A. 72-978, and amendments thereto, from cooperative agreements entered into under K.S.A. 72-968, and amendments thereto, any unencumbered balance of moneys attributable to appropriations by the legislature for special education or related services remaining in the special education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed $\frac{1}{3}$ of the unencumbered balance of the school district's special education fund.

Sec. 9. K.S.A. 2010 Supp. 72-6421 is hereby amended to read as follows: 72-6421. (a) There is hereby established in every district a fund which shall be called the vocational education fund. All moneys received by a district for any course or program authorized and approved under the provisions of article 44 of chapter 72 of Kansas Statutes Annotated, *and amendments thereto*, except for courses and programs conducted in an area vocational school, shall be credited to the vocational education fund. All moneys received by the district from tuition, fees or charges or from any other source for vocational education courses or programs, except for courses and programs conducted in an area vocational school, shall be credited to the vocational education fund. The expenses of a district directly attributable to vocational education shall be paid from the vocational education fund.

(b) Obligations of a district pursuant to lawful agreements made under K.S.A. 72-4421, and amendments thereto, shall be paid from the vocational education fund established by this section. If any such agreement expresses an obligation of a district in terms of a mill levy, such obligation shall be construed to mean an amount equal to that which would be produced by the levy.

(c) Any balance remaining in the vocational education fund at the end of the budget year shall be carried forward into the vocational education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the vocational education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys attributable to appropriations by the legislature in the vocational education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 10. K.S.A. 72-6423 is hereby amended to read as follows: 72-6423. (a) There is hereby established in every district a fund which shall be called the driver training fund which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the district from distributions made from the state safety fund and the motorcycle safety fund and from tuition, fees or charges for driver training courses shall be credited to the driver training fund. The expenses of a district directly attributable to driver training shall be paid from the driver training fund.

~~(b) The provisions of this section shall take effect and be in force from and after July 1, 1992.~~ *Any unencumbered balance of moneys remaining in the driver training fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.*

Sec. 11. K.S.A. 2010 Supp. 72-6426 is hereby amended to read as follows: 72-6426. (a) There is hereby established in every district a fund which shall be called the contingency reserve fund. Such fund shall consist of all moneys deposited therein or transferred thereto according to law. The fund

shall be maintained for payment of expenses of a district attributable to financial contingencies as determined by the board.

(b) (1) Except as otherwise provided in subsection (c), at no time in school year 2008-2009 through school year 2011-2012 shall the amount maintained in the contingency reserve fund exceed an amount equal to 10% of the general fund budget of the district for the school year.

(2) Except as otherwise provided in subsection (c), at no time in school year 2012-2013 or any school year thereafter shall the amount maintained in the contingency reserve fund exceed an amount equal to 6% of the general fund budget of the district for the school year.

(c) (1) If the amount in the contingency reserve fund of a district is in excess of the amount authorized under subsection (b), and if such excess amount is the result of a reduction in the general fund budget of the district for the school year because of a decrease in enrollment, the district may maintain the excess amount in the fund until depletion of such excess amount by expenditure from the fund for the purposes thereof.

(2) The limitation on the amount which may be maintained in the contingency reserve fund imposed under subsection (b) shall not apply to any district whose state financial aid is computed under the provisions of K.S.A. 72-6445a, and amendments thereto. Any such district may maintain the excess amount in the fund until depletion of such excess amount by expenditure from the fund for the purposes thereof.

(d) Notwithstanding the provisions of subsection (c), any unencumbered balance of moneys remaining in the contingency reserve fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 12. K.S.A. 72-8237 is hereby amended to read as follows: 72-8237. (a) The board of education of any school district may: (1) Establish, operate and maintain a summer program for pupils; (2) enter into cooperative or interlocal agreements with one or more other boards of education for the establishment, operation and maintenance of a summer program for pupils; and (3) prescribe and collect fees for providing a summer program for pupils or provide such program without charge.

(b) Fees for providing a summer program for pupils shall be prescribed and collected only to recover the costs incurred as a result of and directly attributable to the establishment, operation and maintenance of the program.

(c) No school district may collect fees for providing a summer program for pupils required to attend such a program in accordance with the provisions of law, rules and regulations of the state board of education, policy of the board of education, or an individualized education plan developed for an exceptional child.

(d) There is hereby established in every district which establishes, operates and maintains a summer program a fund which shall be called the summer program fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by a district from fees collected under this section or from any other source for summer programs shall be credited to the summer program fund. The expenses of a district directly attributable to summer programs shall be paid from the summer program fund.

Any unencumbered balance of moneys remaining in the summer program fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(e) As used in this section, the term “summer program” means a program which is established by the board of education of a school district and operated during the summer months for the purpose of giving remedial instruction to pupils or for the purpose of conducting special projects and activities designed to enrich and enhance the educational experience of pupils, or for both such purposes.

Sec. 13. K.S.A. 2010 Supp. 72-8250 is hereby amended to read as follows: 72-8250. (a) There is hereby established in every school district a textbook and student materials revolving fund. Moneys in such fund shall be used to:

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

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

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

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

Any unencumbered balance of moneys remaining in the textbook and student materials revolving fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education in an amount not to exceed $\frac{1}{3}$ of the unencumbered balance of the school district's textbook and student materials revolving fund.

Sec. 14. K.S.A. 2010 Supp. 72-9509 is hereby amended to read as follows: 72-9509. (a) There is hereby established in every school district a fund which shall be called the bilingual education fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. The expenses of a district directly attributable to such bilingual education programs shall be paid from the bilingual education fund.

(b) Any balance remaining in the bilingual education fund at the end of the budget year shall be carried forward into the bilingual education fund for succeeding budget years. Such fund shall not be subject to the provisions of K.S.A. 79-2925 through 79-2937, and amendments thereto. In preparing the budget of such school district, the amounts credited to and the amount on hand in the bilingual education fund, and the amount expended therefrom shall be included in the annual budget for the information of the residents of the school district. Interest earned on the investment of moneys in any such fund shall be credited to that fund.

Any unencumbered balance of moneys remaining in the bilingual education fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

(c) Each year the board of education of each school district shall prepare and submit to the state board a report on the bilingual education program and assistance provided by the district. Such report shall include information specifying the number of pupils who were served or provided assistance, the type of service provided, the research upon which the district relied in determining that a need for service or assistance existed, the results of providing such service or assistance and any other information required by the state board.

Sec. 15. K.S.A. 2010 Supp. 72-9609 is hereby amended to read as follows: 72-9609. There is hereby established in every school district a fund which shall be called the professional development fund, which fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by the school district from whatever source for professional development programs established under this act shall be credited to the fund established by this section. The expenses of a school district directly attributable to professional development programs shall be paid from the professional development fund.

Any unencumbered balance of moneys remaining in the professional development fund of a school district on June 30, 2011, may be expended in school year 2011-2012 by the school district for general operating expenses of the school district as approved by the board of education.

Sec. 16. K.S.A. 72-3607, 72-6420, 72-6423 and 72-8237 and K.S.A. 2010 Supp. 72-965, 72-978, 72-3715, 72-6414a, 72-6414b, 72-6421, 72-6426, 72-8250, 72-9509 and 72-9609 are hereby repealed.

Sec. 17. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.