

Comparison of Current Law to Proposed 2012 Legislation

K.S.A. 76-729(b)	Rules and Regulations (proposed changes underlined)	HB 2652, H Sub SB 393 (COW), § 45, SB 401 (proposed changes underlined)
(2) Persons (and their spouses and dependents) who are in military service.	& Enrolled at any state educational institution; and either: <ul style="list-style-type: none"> Actively serving in armed service of the United States for 30 or more days immediately preceding enrollment and either (1) resides in Kansas; or (2) is assigned to a permanent duty station located in Kansas; Is a member of the Kansas army or air national guard; or Is a spouse or dependent of a person who is actively serving in any armed service of the United States or the Kansas army or air national guard for 30 or more days immediately preceding enrollment and either resides in Kansas or is assigned to a permanent duty station located in Kansas. 	Requires that persons who are in military service receive the resident fee privilege. Removes the residence or permanent duty station assignment and other requirements found in the state board of regents' rules and regulations. Only applies to such person's spouses and dependents if the person in military service was reassigned from Kansas to another duty station and such spouse or dependent continues to reside in Kansas.
(3) Persons (and their spouses and dependents) who are: <ul style="list-style-type: none"> Domiciliary residents of the state; Were in active military service prior to becoming domiciliary residents of the state; Present in the state for a period of not less than 24 months during their tenure in active military service; and Domiciliary residence was established in the state within 30 days of discharge or 	& <ul style="list-style-type: none"> Has been a domiciliary resident of Kansas for less than 12 months; Had a permanent change of station order for active duty in Kansas; Has retired or has been honorably discharged from military service; and Established current domiciliary residence at enrollment. 	Requires these persons to receive the resident fee privilege if they meet the following qualifications: <ul style="list-style-type: none"> Domiciliary residents of the state at the time of enrollment; Were in active military service for a period of not less than 36 months prior to becoming domiciliary residents of the state; and Have been discharged or

Eunice Peters

Comparison of Current Law to Proposed 2012 Legislation

<p>retirement from active military service under honorable conditions, but was not timely enough established to meet the residence duration requirement.</p>		<p>retired from military service under honorable conditions. Does not include such person's spouse or dependent. Removed these persons from consideration.</p>
<p>(9) Persons (and their spouses and dependents) who:</p> <ul style="list-style-type: none"> • Have retired or have been honorably discharged from military service; • Had a permanent change of station order for active duty in Kansas during such military service; and • Live in Kansas at the time of enrollment. 	<p align="center">&</p> <ul style="list-style-type: none"> • Has been a domiciliary resident of Kansas for less than 12 months; • Had a permanent change of station order for active duty in Kansas; • Has retired or has been honorably discharged from military service; and • Established current domiciliary residence at enrollment. 	

As Amended by House Committee

Session of 2012

HOUSE BILL No. 2652

By Committee on Veterans, Military and Homeland Security

2-7

1 AN ACT concerning colleges and universities, relating to ~~tuition~~
2 **requirements for resident fee purposes**; amending K.S.A. 2011 Supp.
3 76-729 and repealing the existing section.
4

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

6 Section 1. K.S.A. 2011 Supp. 76-729 is hereby amended to read as
7 follows: 76-729. (a) (1) Persons enrolling at the state educational
8 institutions under the control and supervision of the state board of regents
9 who, if such persons are adults, have been domiciliary residents of the
10 state of Kansas or, if such persons are minors, whose parents have been
11 domiciliary residents of the state of Kansas for at least 12 months prior to
12 enrollment for any term or session at a state educational institution are
13 residents for fee purposes. A person who has been a resident of the state of
14 Kansas for fee purposes and who leaves the state of Kansas to become a
15 resident of another state or country shall retain status as a resident of the
16 state of Kansas for fee purposes if the person returns to domiciliary
17 residency in the state of Kansas within 60 months of departure. All other
18 persons are nonresidents of the state of Kansas for fee purposes.

19 (2) The provisions of this subsection shall be applicable to any person
20 enrolling at a state educational institution from and after July 1, 2006. Any
21 person who (A) qualifies as a resident of the state of Kansas for fee
22 purposes under the provisions of this subsection, (B) attended a state
23 educational institution during academic year 2006-2007 and (C) paid fees
24 as if such person was not a resident of the state of Kansas, may apply to
25 such state educational institution to be reimbursed in an amount equal to
26 the difference between the amount the person paid in fees and the amount
27 the person would have paid if such person had been treated as a resident of
28 the state of Kansas. Such reimbursement shall be paid by the state
29 educational institution at which such person was enrolled during academic
30 year 2006-2007.

31 (3) The provisions of this subsection shall not apply to a person who
32 is deemed a resident for fee purposes pursuant to K.S.A. 2011 Supp. 76-
33 731a, and amendments thereto.

34 (b) The state board of regents may authorize the following persons, or
35 any class or classes thereof, and their spouses and dependents to pay an
36 amount equal to resident fees:

- 1 (1) Persons who are employees of a state educational institution;
- 2 ~~(2) persons who are in military service;~~
- 3 ~~(3) persons who are domiciliary residents of the state, who were in~~
4 ~~active military service prior to becoming domiciliary residents of the state,~~
5 ~~who were present in the state for a period of not less than two years during~~
6 ~~their tenure in active military service, whose domiciliary residence was~~
7 ~~established in the state within 30 days of discharge or retirement from~~
8 ~~active military service under honorable conditions, but whose domiciliary~~
9 ~~residence was not timely enough established to meet the residence~~
10 ~~duration requirement of subsection (a);~~
- 11 (4) persons having special domestic relations circumstances;
- 12 ~~(5)~~(3) persons who have lost their resident status within six months of
13 enrollment;
- 14 ~~(6)~~(4) persons who are not domiciliary residents of the state, who
15 have graduated from a high school accredited by the state board of
16 education within six months of enrollment, who were domiciliary residents
17 of the state at the time of graduation from high school or within 12 months
18 prior to graduation from high school, and who are entitled to admission at
19 a state educational institution pursuant to K.S.A. 72-116, and amendments
20 thereto;
- 21 ~~(7)~~(5) persons who are domiciliary residents of the state, whose
22 domiciliary residence was established in the state for the purpose of
23 accepting, upon recruitment by an employer, or retaining, upon transfer
24 required by an employer, a position of full-time employment at a place of
25 employment in Kansas, but the domiciliary residence of whom was not
26 timely enough established to meet the residence duration requirement of
27 subsection (a), and who are not otherwise eligible for authorization to pay
28 an amount equal to resident fees under this subsection; *and*
- 29 ~~(8)~~(6) persons who have graduated from a high school accredited by
30 the state board of education within six months of enrollment and who, at
31 the time of graduation from such a high school or while enrolled and in
32 attendance at such a high school prior to graduation therefrom, were
33 dependents of a person in military service within the state; if the person,
34 whose dependent is eligible for authorization to pay an amount equal to
35 resident fees under this provision, does not establish domiciliary residence
36 in the state upon retirement from military service, eligibility of the
37 dependent for authorization to pay an amount equal to resident fees shall
38 lapse; *and*
- 39 ~~(9) persons who have retired or have been honorably discharged from~~
40 ~~military service, had a permanent change of station order for active duty in~~
41 ~~Kansas during such military service and live in Kansas at the time of~~
42 ~~enrollment.~~
- 43 (c) (1) The state board of regents shall authorize the following class

1 of persons to pay an amount equal to resident fees:

2 (A) *Persons who are in military service;*

3 (B) *persons who are domiciliary residents of the state at the time of*
4 *enrollment, were in active military service for a period of not less than 36*
5 *months prior to becoming domiciliary residents of the state and have been*
6 *discharged or retired from military service under honorable conditions;*
7 *and*

8 (C) any dependent or spouse of a person in military service who is
9 reassigned from Kansas to another duty station so long as such dependent
10 or spouse continues to reside in Kansas.

11 (2) So long as a ~~person~~ *dependent or spouse of a person in military*
12 *service, as described in paragraph (1) of this subsection, remains*
13 *continuously enrolled, exclusive of summer sessions, a person who*
14 *qualifies to pay resident fees by virtue of being a spouse or dependent of a*
15 *person in military service shall not lose such status because of a divorce or*
16 *the death of a spouse.*

17 (d) As used in this section:

18 (1) "Parents" means and includes natural parents, adoptive parents,
19 stepparents, guardians and custodians.

20 (2) "Guardian" has the meaning ~~ascribed thereto by~~ *provided by*
21 *K.S.A. 59-3051, and amendments thereto.*

22 (3) "Custodian" means a person, agency or association granted legal
23 custody of a minor under the revised Kansas code for care of children.

24 (4) "Domiciliary resident" means a person who has present and fixed
25 residence in Kansas where the person intends to remain for an indefinite
26 period and to which the person intends to return following absence.

27 (5) "Full-time employment" means employment requiring at least
28 1,500 hours of work per year.

29 (6) "Dependent" means: (A) A birth child, adopted child or stepchild;
30 or

31 (B) any child other than the foregoing who is actually dependent in
32 whole or in part on the person in military service and who is related to
33 such individual by marriage or consanguinity.

34 (7) "Military service" means: (A) Any active service in any armed
35 service of the United States; or (B) membership in the Kansas army or air
36 national guard.

37 (8) "Academic year" means the twelve-month period ending June 30.

38 Sec. 2. K.S.A. 2011 Supp. 76-729 is hereby repealed.

39 Sec. 3. This act shall take effect and be in force from and after its
40 publication in the statute book.

41

76-729. Residence of students for fee purposes; basic rule, certain exceptions authorized; definitions. (a) (1) Persons enrolling at the state educational institutions under the control and supervision of the state board of regents who, if such persons are adults, have been domiciliary residents of the state of Kansas or, if such persons are minors, whose parents have been domiciliary residents of the state of Kansas for at least 12 months prior to enrollment for any term or session at a state educational institution are residents for fee purposes. A person who has been a resident of the state of Kansas for fee purposes and who leaves the state of Kansas to become a resident of another state or country shall retain status as a resident of the state of Kansas for fee purposes if the person returns to domiciliary residency in the state of Kansas within 60 months of departure. All other persons are nonresidents of the state of Kansas for fee purposes.

(2) The provisions of this subsection shall be applicable to any person enrolling at a state educational institution from and after July 1, 2006. Any person who (A) qualifies as a resident of the state of Kansas for fee purposes under the provisions of this subsection, (B) attended a state educational institution during academic year 2006-2007 and (C) paid fees as if such person was not a resident of the state of Kansas, may apply to such state educational institution to be reimbursed in an amount equal to the difference between the amount the person paid in fees and the amount the person would have paid if such person had been treated as a resident of the state of Kansas. Such reimbursement shall be paid by the state educational institution at which such person was enrolled during academic year 2006-2007.

(3) The provisions of this subsection shall not apply to a person who is deemed a resident for fee purposes pursuant to K.S.A. 2011 Supp. 76-731a, and amendments thereto.

(b) The state board of regents may authorize the following persons, or any class or classes thereof, and their spouses and dependents to pay an amount equal to resident fees:

(1) Persons who are employees of a state educational institution;

(2) persons who are in military service;

(3) persons who are domiciliary residents of the state, who were in active military service prior to becoming domiciliary residents of the state, who were present in the state for a period of not less than two years during their tenure in active military service, whose domiciliary residence was established in the state within 30 days of discharge or retirement from active military service under honorable conditions, but whose domiciliary residence was not timely enough established to meet the residence duration requirement of subsection (a);

(4) persons having special domestic relations circumstances;

(5) persons who have lost their resident status within six months of enrollment;

(6) persons who are not domiciliary residents of the state, who have graduated from a high school accredited by the state board of education within six months of enrollment, who were domiciliary residents of the state at the time of graduation from high school or within 12 months prior to graduation from high school, and who are entitled to admission at a state educational institution pursuant to K.S.A. 72-116, and amendments thereto;

(7) persons who are domiciliary residents of the state, whose domiciliary residence was established in the state for the purpose of accepting, upon recruitment by an employer, or retaining, upon transfer required by an employer, a position of full-time employment at a place of employment in Kansas, but the domiciliary residence of whom was not timely enough established to meet the residence duration requirement of subsection (a), and who are not otherwise eligible for authorization to pay an amount equal to resident fees under this subsection;

(8) persons who have graduated from a high school accredited by the state board of education within six months of enrollment and who, at the time of graduation from such a high school or while enrolled and in attendance at such a high school prior to graduation therefrom, were dependents of a person in military service within the state; if the person, whose dependent is eligible for authorization to pay an amount equal to resident fees under this provision, does not establish domiciliary residence in the state upon retirement from military service, eligibility of the dependent for authorization to pay an amount equal to resident fees shall lapse; and

(9) persons who have retired or have been honorably discharged from military service, had a permanent change of station order for active duty in Kansas during such military service and live in Kansas at the time of enrollment.

(c) (1) The state board of regents shall authorize the following class of persons to pay an amount equal to resident fees: Any dependent or spouse of a person in military service who is reassigned from Kansas to another duty station so long as such dependent or spouse continues to reside in Kansas.

(2) So long as a person remains continuously enrolled, exclusive of summer sessions, a person who qualifies to pay resident fees by virtue of being a spouse or dependent of a person in military service shall not lose such status because of a divorce or the death of a spouse.

(d) As used in this section:

(1) "Parents" means and includes natural parents, adoptive parents, stepparents, guardians and custodians.

(2) "Guardian" has the meaning ascribed thereto by K.S.A. 59-3051, and amendments thereto.

(3) "Custodian" means a person, agency or association granted legal custody of a minor under the revised Kansas code for care of children.

(4) "Domiciliary resident" means a person who has present and fixed residence in Kansas where the person intends to remain for an indefinite period and to which the person intends to return following absence.

(5) "Full-time employment" means employment requiring at least 1,500 hours of work per year.

(6) "Dependent" means: (A) A birth child, adopted child or stepchild; or

(B) any child other than the foregoing who is actually dependent in whole or in part on the person in military service and who is related to such individual by marriage or consanguinity.

(7) "Military service" means: (A) Any active service in any armed service of the United States; or (B) membership in the Kansas army or air national guard.

(8) "Academic year" means the twelve-month period ending June 30.

History: L. 1971, ch. 290, § 1; L. 1975, ch. 469, § 1; L. 1977, ch. 237, § 44; L. 1987, ch. 264, § 1; L. 1988, ch. 363, § 2; L. 1991, ch. 214, § 2; L. 1996, ch. 165, § 2; L. 1998, ch. 176, § 1; L. 2002, ch. 114, § 77; L. 2005, ch. 120, § 4; L. 2006, ch. 168, § 7; L. 2007, ch. 173, § 10; July 1.

Revisor's Note:

Section amended twice in 2006 session, see also 76-729a.

Section was also amended by L. 2007, ch. 72, § 1, but that version was repealed by L. 2007, ch. 173, § 20.

88-3-8a. Military personnel. (a) The resident fee privilege shall be accorded to any person who meets the following conditions:

(1) Is enrolled at any state educational institution, as defined by K.S.A. 76-711 and amendments thereto; and

(2) meets one of the following conditions:

(A) Is actively serving in any armed service of the United States for 30 or more days immediately preceding enrollment and, regardless of the individual's duty station, meets one of the following conditions:

(i) Resides in Kansas; or

(ii) is assigned to a permanent duty station located in Kansas;

(B) is a member of the Kansas army or air national guard; or

(C) is the spouse or dependent of a person who is actively serving in any armed service of the United States or the Kansas army or air national guard for 30 or more days immediately preceding enrollment and who either resides in Kansas or is assigned to a permanent duty station located in Kansas.

(b) ~~The resident fee privilege shall be accorded to the spouse and the dependents of a person that meets the requirements of paragraph (a)(2)(A) unless one of the following occurs:~~

~~(1) The person meeting the requirements of paragraph (a)(2)(A) is reassigned from a Kansas duty station to a duty station outside the state, and the spouse or dependents do not continue to reside in Kansas. The resident fee privilege accorded to a person who meets the requirements of paragraph (a)(2)(A), or to the spouse or dependents of the person, shall continue~~

if the person is reassigned to a duty station outside the state as long as the person or the person's spouse or dependents maintain continuous enrollment at the institution.

~~(2) The person meeting the requirements of paragraph (a)(2)(A) never had a duty station assignment in Kansas and does not continue to reside in Kansas.~~

(c) The resident fee privilege shall be accorded to a spouse and the qualifying dependents of a person ~~that~~ who meets the requirements of paragraph (a)(2)(B) ~~unless only if~~ the spouse or dependents ~~do not~~ reside in Kansas.

(d) This regulation shall not be construed to prevent a person in the military service from acquiring or retaining a bona fide residence in Kansas.

~~(e) This regulation shall apply retroactively beginning with any student who enrolled in the fall semester of 2006 at any state educational institution as defined by K.S.A. 76-711 and amendments thereto. (Authorized by K.S.A. 76-730; implementing K.S.A. 2006 2011 Supp. 76-729, as amended by 2007 HB 2425, §1 and 2007 HB 2185, §10, and K.S.A. 76-730; effective July 27, 2007; amended P-_____.)~~

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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

February 20, 2012

The Honorable Clay Aurand, Chairperson
House Committee on Education
Statehouse, Room 174-W
Topeka, Kansas 66612

Dear Representative Aurand:

SUBJECT: Fiscal Note for HB 2652 by House Committee on Veterans, Military and
Homeland Security

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2652 is respectfully submitted to your committee.

Under current law, military personnel, their spouses and dependents are allowed to pay resident fees at state universities, if they have been in the state for two years during their military service and established a residence in Kansas within 30 days of their discharge. HB 2652 would allow persons in military service, persons who are domiciliary residents of the state at the time of enrollment, were in active military service for at least three years before becoming domiciliary resident of the state, and have been discharged or retired from military service under honorable conditions to pay resident tuition rates.

HB 2652 would increase the number of individuals eligible for in-state tuition. Although spouses and dependents would not be immediately eligible to begin their postsecondary education until residency was established, the program would be open to all military personnel and not just the ones who had two years of military service in the state. The Board of Regents states that under current law in FY 2011, the universities waived \$4.0 million in out-of-state tuition for persons qualifying under the military waiver program. HB 2652 would open the waiver program to anyone who has served in the military service, while closing it to the spouses and dependents of discharged military personnel. The cost of the tuition waiver could increase; however, it is not possible to predict how many people would take advantage and the subsequent effect on the state universities. Any fiscal effect associated with HB 2652 is not reflected in *The FY 2013 Governor's Budget Report*.

Sincerely,

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Kelly Oliver, Board of Regents

9-9

Education Budget Committee
Testimony on House Bill 2652

by

Sara K. Sneath

On behalf of the University of Kansas Collegiate Veterans Association
Monday, February 20, 2012

I want to start off by thanking you, the members of the Education Budget Committee, for allowing me to speak with you about House bill 2652. I'd also like to thank you for giving me the best excuse I've had to date to miss a college class. Today, I hope I can clarify how House bill 2652 will benefit both the state of Kansas and military veterans. I also intend to address concerns you may have with the bill.

My name is Sara Sneath. I was born and raised in Kansas, although I have to admit I would not be the woman I am today without the mentoring I received in the United State Marine Corps. I served five and half years in the Corps, before returning to Kansas in 2009 to pursue a triple major in journalism, Spanish and sociology. I will be the first in my immediate family to attain a bachelor's degree, but with three degrees I'll have enough to share.

In December of 2010, I began working in the Veterans Services office at KU. It was there that I became aware that military education benefits do not pay the difference between in-state and out-of-state tuition. Up until August of 2011, this was less of a problem; before the August 2011 changes to the Post-9/11 GI Bill, the VA would pay a cap per credit hour of \$420.05. This cap covered part of the difference between in-state and out-of-state rates. However, in August this cap went away and veterans were left footing the entire difference between in-state and out-of-state tuition. If you look at the handout I gave you, you'll see the results of this change.

Based on 2012 KU Comprehensive Fee Schedule

Before August 2011 Changes

\$650 (undergrad out-of-state rate) - \$420.05 (VA cap) = \$229.95 (cost per credit hour)

\$229.95 X 12 credit hours = \$2,759.40 out of pocket cost per semester

After August 2011 Changes

\$650 (undergrad out-of-state rate) - \$253.70 (in-state rate) = \$396.30 (cost per credit hour)

\$396.30 X 12 credit hours = \$4,755.60 out of pocket cost per semester

9-10

As you can see, the amount of money out-of-state veterans must pay is significantly higher now. I will explain later how even these numbers may deemphasize the problem, but before I do, I want to call attention to the fact that House bill 2652 is more necessary now than ever. This bill is not radical: Other states have recognized the necessity and implemented similar bills, including Colorado, Arizona, Ohio and Virginia. I'd also like to point out that giving in-state tuition to students who would otherwise be paying out-of-state rates is an incentive KU and the state of Kansas have used in the past to attract certain desired cohorts of students. And, from the research the Collegiate Veterans Association has done, we believe that this bill will act more as an incentive to bring veterans to Kansas than it will to benefit those veterans who are already here.

I'd like to take a moment to tell you why veterans are such a desirable group.

Today's veterans joined the military during a time of war, and served in the military during a time of war. As they make the transition back to civilian life, we want them to be able to serve our Kansas communities. In return, we ask that the Kansas community serve them.

Veterans are unlike other students in that they are older and are more likely to be married and have children, because of this they often settle down wherever they go to college. When veterans settle down they are eligible for VA loans to buy homes. In addition, companies that employ veterans reap the benefits of specific tax credits. According to the Department of Veterans Affairs 2009 State Summary, in 2009 alone, veterans brought 732 million dollars in VA expenditures to the state of Kansas, through compensation and pensions, readjustment benefits, medical and construction programs and insurance and indemnities.

Now that I have explained why this cohort of students is desirable, I'd like to address why it is necessary that they be given in-state tuition.

Some of you may have may have heard about the Yellow Ribbon Program. The YRP is designed to offset the difference between what the Post-9/11 GI bill pays and private institution tuition rates and or out-of-state tuition rates. The YRP is a program that schools can opt into with the VA. The school chooses the number of recipients and the amount of tuition and fees that it will contribute, which the VA will match. To be eligible for the YRP a student must be entitled to the maximum benefit rate. Bradley, the combat disabled veteran you heard from today, is not eligible for the Yellow Ribbon Program because he did not get discharged for his service related disability nor did he serve 36 months of aggregate active duty service.

9-11

The University of Kansas has 25 YRP slots available. However, there are currently only 24 out-of-state students who qualify for those slots. This semester those students are paying a total of \$55,217.86 out-of-pocket, because the Post-9/11 GI Bill together with the YRP is not enough.

Remember when I told you that the numbers deemphasize the problem? Now, I'm going to tell you why.

If students who qualify for the YRP or students who are not at the eligibility rating which would allow them to qualify for the YRP seek outside financial assistance, they are penalized by the VA. These students cannot accept any grant or scholarship that is designated specifically for tuition and fee purposes. If they do, the VA takes this money out of the money it pays toward tuition and fees. These programs are so convoluted and bureaucratic that they may look all encompassing, but they leave many veterans out in the cold, without the resources that they require to make the transition to the civilian life that they so desire.

If you have understood the majority of the VA rules and stipulations I have outlined today, you are ahead of the curve. Imagine if you were in a combat zone with shotty Internet trying to apply for college and navigate these rules...

Today I have told you how House bill 2652 will benefit both the state of Kansas and military veterans. I have also addressed a few of the concerns you may have had with the bill. With the current reduction in armed forces, more military veterans – with entitlement to federal benefits – are looking for a place to pursue their education goals, a place they will eventually call home. We believe that with House bill 2652 military veterans will find that home in Kansas.

Again, I want to thank the Education Budget Committee for the opportunity to speak today. Are there any questions?

Education Budget Committee
Testimony on House Bill 2652

by

Bradley Boomsma

On behalf of the University of Kansas Collegiate Veterans Association
Monday, February 20, 2012

Thank you, the Education Budget Committee, for allowing me to testify. I would first off like to say, how much of an honor it is to be testifying on behalf of all Honorably Discharged Veterans seeking to further their education at a higher learning institution. My name is Bradley Boomsma and I am an Iraq war disabled veteran. I served as an artilleryman with Bravo Battery 1/142nd Field Artillery Combat Fires Brigade, which is part of the Arkansas Army National Guard. I served at multiple FOB's in Iraq during OIF IV (Operation Iraqi Freedom) from 2005-2006 earning a Combat Action Badge. I was honorably discharged in November 2009. I am an out-of-state resident currently attending the University of Kansas. My parents did not attend college as they both served in the Army.

As we all know, attaining a degree at a higher education institution is a difficult task for a traditional student. Attaining a degree as a veteran is doubly-hard. These young veterans coming home from the conflicts that face our country today have a difficult time readjusting back into civilian life let alone adjusting back into life as a student. I can personally attest to the difficulties as a disabled veteran. If the physical and mental obstacles were not difficult enough, veterans students like me, who are out of state, must also take on the additional financial burden associated with going to college out-of-state.

I attended the University of Arkansas after my service to study history. My interest was mainly military history and the University of Arkansas had two military

history courses at the time. Learning about the dual Masters/PhD program in Military History at the University of Kansas, I became more intrigued by this program, which is why I decided to transfer to the University of Kansas to study military history with the goal of being accepted into the program after I graduate. I am one of the lucky ones for being given this chance to come to an outstanding university and achieve my goals. My friend John Maes was not so lucky.

John Maes served in the Army Reserves in the state of Arkansas including a tour in Iraq in 2008. Mr. Maes has always been interested in the study of Archeology. The problem is that the University of Arkansas does not have an Archeology program. He wants to transfer to the University of Kansas to attend school since they offer a degree in Archeology, but he can't: He does not have the money to cover the costs above what the Post-9/11 GI Bill will pay. Since, he is not afforded the opportunity to attain his goal, he is not attending college. This bill would allow veterans just like Mr. John Maes and all other honorably discharged veterans to attain their goal of higher learning.

Service members who gave years of their young lives in the service of our beloved country deserve in-state tuition. These soldiers, sailors, marines and airmen serve not only the country as a whole but also each individual state. For example, the 142nd Combat Fires Brigade of the Arkansas Army National Guard was called into service to help the victims of Hurricane Katrina. The soldiers came from their homes in Arkansas to help the residents of Louisiana, Mississippi and Alabama.

Allowing honorably discharged veterans in-state tuition would bring more veterans to the state of Kansas. Being non-traditional and older students, veterans would have higher graduation rates, a vast majority of veterans are married and some have

families. Allowing in-state tuition would not only increase veteran enrollments, it would also increase the chance of the state of Kansas keeping said veterans in the state after graduation thus creating new residents and tax flow that would not be possible without giving out-of-state veterans in-state tuition. In the long term, having an increased population due to more service members staying in the state of Kansas would create a larger tax base argot more capital.

Military service is more than an individual, a state or federal government. Military service is a social contract between an individual and country. The social contract is not a one-way road. House bill 2652 would help veterans afford the education they have always dreamed of, an education they deserve. The bill would help keep veterans who graduated stay in the state of Kansas thus keeping people, jobs and money in the state of Kansas.

Thank you all for your time; it has been an honor.

Education Budget Committee

Testimony on House Bill 2652

By

Charles M. Yunker, Adjutant
The American Legion Department of Kansas
Monday, February 20, 2012

Mr. Chairman and members of the Education Budget Committee, on behalf of The American Legion Department of Kansas I wish to express our organizations sincere appreciation for granting me the opportunity to address you today in favor of House Bill 2652.

When American Legion Past National Commander Harry Colmery of Topeka put pen to paper in the Mayflower Hotel during the winter of 1943 and became the author of the Serviceman's Readjustment Act of 1944, more commonly known as the original GI Bill of Rights, he did so without regard for boundaries of any kind. There is no mention in the original GI Bill of Rights of race, gender, or of foreign or domestic military service, and not one word about state boundaries. Colmery and other leaders in The American Legion recognized the need to provide every citizen who served to protect this nation and our allies from tyranny, regardless of their station in life prior to their honorable military service, not only a simple opportunity to rejoin their civilian counterparts, but also an enhanced opportunity to improve themselves, their families, and society as a whole.

What transpired immediately after World War II transformed America and established a robust middle class poised to create the growth and prosperity this nation enjoyed during the post-war years. Higher education was no longer reserved for the wealthy and the elite; if GI Joe or Jane could qualify for acceptance at any college or university in the country, they were entitled to attend, and the GI Bill paid the tab for books and tuition plus a monthly allotment for living expenses. A direct result of this infusion of veterans into

our colleges and universities was an elevation of standards across the board due to increased competition in every class room, brought on by veterans whose ingrained discipline and focus raised the bar for everyone in the educational system. In the following years, our nation reaped incalculable benefits in every conceivable manner.

Today's active duty personnel as well as their counterparts in the Guard and Reserve Forces, and recently discharged veterans of all services are the best trained and equipped military men and women in our history, and are among the most technically skilled and highly trained citizens this nation has ever produced. That places Kansas in a very unique position to take advantage of their prior training and experience and their drive to better themselves, and to succeed.

Thousands of military families reside in our state and hundreds of veterans are discharged annually from military installations in Kansas. We need to take advantage of our position by providing every means possible to attract these young people to our Kansas colleges and universities, and to retain their skills and their dedication for the benefit of our state.

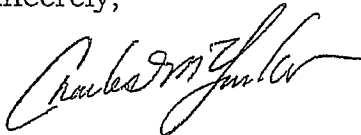
Each of us is aware of the enormous economic impact the United States military has on our state. Almost every year there is at least one bill placed before you to enhance Kansas' attractiveness to the military and, their families and to veterans. I believe there has been at least one such bill introduced this session and I would ask you to add House Bill 2652 to the list of initiatives Kansas has taken to make our state more livable and more attractive to those with a military background.

In summary some may argue if we as Kansas tax payers can provide in-state tuition rates for the children of illegal immigrants we should at a minimum provide the same consideration to those who have honorably served in the

military. Others may make the case that today's veterans served to protect our entire nation and Kansas' in-state tuition benefit should not be restricted solely to those who happened to live here before their military service. Both are very valid arguments in favor of HB 2652. But without arguing the merits of in-state tuition for those who may or may not be legal, or that our nation's veterans served to protect all of our nation's borders I would ask you to also consider the potential economic benefits HB 2652 could provide for Kansas in the form of every conceivable purchase of retail goods and services by military families and veterans who choose to attend a Kansas College or University. These purchases would translate into long term job growth with relatively little Investment of state funds. HB 2652 will boost Kansas' reputation as a state both friendly and attractive to active duty military and to veterans and it also will also enhance the value of a degree earned in Kansas by some of our nation's most serious and dedicated students.

Thank you once again for allowing me the opportunity to testify before you in favor of HB 2652. I sincerely urge your support of its passage, and stand for your questions.

Sincerely,



Charles M. Yunker, Adjutant
The American Legion
Department of Kansas

HOUSE BILL No. 2168

By Representative Schwab

2-4

1 AN ACT concerning veterans; relating to veterans benefits; amending
2 K.S.A. 32-901 and K.S.A. 2010 Supp. 73-1217 and repealing the
3 existing sections.
4

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

6 Section 1. K.S.A. 32-901 is hereby amended to read as follows: 32-
7 901. (a) Except as otherwise provided by law or rules and regulations of
8 the secretary, a valid park and recreation motor vehicle permit is required
9 to use a motor vehicle in any state park, or any portion thereof, or in any
10 other area designated by the secretary pursuant to subsection (f), which is
11 posted in accordance with subsection (g).

12 (b) (1) The secretary shall issue annual and temporary park and
13 recreation motor vehicle permits.

14 (2) The annual permit shall be issued to certificate of titleholders for
15 each calendar year as provided in K.S.A. 32-983, 32-984 and 32-985, and
16 amendments thereto, and shall not be transferable. An additional vehicle
17 permit may be issued to the owner of an original annual permit. The fee
18 for an annual permit and the fee for an additional vehicle permit shall be
19 fixed by the secretary by rules and regulations adopted in accordance
20 with K.S.A. 32-805, and amendments thereto. The fee for an annual
21 permit for a motor vehicle of any Kansas resident certificate of title
22 holder who is 65 or more years of age or who is a person with a disability
23 and displays a special license plate or placard issued pursuant to K.S.A.
24 8-1,125, and amendments thereto, shall be an amount equal to $\frac{1}{2}$ the fee
25 fixed by the secretary for other annual park and recreation motor vehicle
26 permits, except a nonresident regardless of age shall pay the full fee. *The*
27 *fee for any person who is a resident of this state and has been honorably*
28 *discharged from active service in any branch of the armed forces of the*
29 *United States is waived.* A duplicate permit may be issued upon proof of
30 loss of the original permit for the remainder of the calendar year for a fee
31 fixed by the secretary by rules and regulations adopted in accordance
32 with K.S.A. 32-805, and amendments thereto. If the motor vehicle for
33 which an annual permit has been issued is sold or traded during the
34 calendar year for which the permit was issued and the original permit is
35 surrendered to the department, a new permit effective for the remainder
36 of the calendar year may be issued to the person who sold or traded the

1 under the secretary's control, or portions thereof, and the time periods in
2 which motor vehicle permits shall be required hereunder.

3 The secretary shall cause signs to be posted and maintained at the
4 entrances to all such designated state parks or other areas, or portions
5 thereof, which signs shall display a legend that a motor vehicle entering
6 and using the state park or area, or portion thereof, is required to display
7 on the motor vehicle a permit of the type described in this section.

8 (g) All fees, licenses and other charges, and rules and regulations
9 relating to the use of and conduct of persons in a state park or other area
10 under the secretary's control, or any facility therein, shall be posted in a
11 convenient and conspicuous place in each such park, area or facility.
12 Except as otherwise provided in this section, each and every person using
13 any such park, area or facility shall be charged the same fees, licenses and
14 every other charge.

15 Sec. 2. K.S.A. 2010 Supp. 73-1217 is hereby amended to read as
16 follows: 73-1217. The board of trustees of every community college, the
17 board of regents of Washburn university of Topeka, the board of control
18 of every area vocational school and the governing body of every other
19 institution of post-high school education which is supported by any state
20 moneys shall provide for enrollment without charge of tuition or fees for
21 any *person who has been honorably discharged from active service in*
22 *any branch of the armed forces of the United States, any dependent of*
23 *such person, the dependent of a prisoner of war or a person missing in*
24 *action, so long as such dependent is eligible, but not to exceed 12*
25 *semesters of instruction or the equivalent thereof at all such institutions*
26 *for any person if the person started such instruction prior to July 1, 2005,*
27 *or 10 semesters if the person started such instruction on or after July 1,*
28 *2005. Once a person qualifies as a dependent under the terms and*
29 *provisions of this act, no occurrence, such as the return of the dependent's*
30 *parent or the parent's reported death, shall disqualify the dependent from*
31 *the provisions or benefits of this act. The state board of regents, the board*
32 *of trustees of any community college, or the governing body of any other*
33 *institution which grants tuition for fees without charge to a dependent*
34 *under this act may file a claim with the Kansas veterans' commission for*
35 *reimbursement of the amount of such tuition or fees. The Kansas*
36 *veterans' commission shall administer this act and qualifications of*
37 *persons as dependents shall be determined by such commission. Such*
38 *commission may adopt rules and regulations making more specific the*
39 *definitions herein contained and for the administration of this act.*

40 New Sec. 3. (a) Notwithstanding any provisions of law to the
41 contrary, all sales of food and food products, grooming and hygiene
42 products and household personal products to persons who are residents of
43 this state and have been honorably discharged from active service in any



February 15, 2011

The Honorable Mario Goico, Chairperson
House Committee on Veterans, Military and Homeland Security
Statehouse, Room 268-W
Topeka, Kansas 66612

Dear Representative Goico:

SUBJECT: Fiscal Note for HB 2168 by Representative Schwab

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2168 is respectfully submitted to your committee.

HB 2168 would allow any person who is a resident of Kansas and who has been honorably discharged from active service in any branch of the armed forces of the United States a free annual vehicle permit to the state parks. The bill would also allow these individuals and their dependents free tuition and fees at every community college, Washburn University, all vocational schools, and all institutions of post high-school education which are supported by state money. The Kansas Commission on Veterans Affairs would administer this provision of the bill as well as determine eligibility and handle claims for reimbursement of tuition and fees.

The bill would exempt veterans, who are residents of Kansas and certified to be 100.0 percent disabled by the Department of Veterans Affairs, from the provisions of the Kansas Retailers' Sales Tax Act as it applies to food, food products, grooming and hygiene products, and household personal products. Based on the definition of food in the bill, it appears that food purchased in restaurants would also be exempt. Sales qualifying for this exemption could not exceed \$20,000 per year per individual taxpayer. The bill would require the disabled veteran to be issued a certificate of exemption from the Kansas Department of Revenue and present that certificate to the retailer when claiming the sales tax exemption.

Estimated State Fiscal Effect				
	FY 2011 SGF	FY 2011 All Funds	FY 2012 SGF	FY 2012 All Funds
Revenue	--	--	(\$2,090,000)	(\$2,438,255)
Expenditure	--	--	\$9,244,025	\$9,244,025
FTE Pos.	--	--	--	--

The Kansas Board of Regents indicates it is difficult to predict participation to make an accurate estimate. When the state's Military Service Scholarship was enacted in FY 2008, the Kansas Commission on Veterans Affairs estimated that approximately 16,000 soldiers would be

discharged between 2001 and 2007. Extending this assumption through 2010, approximately 23,500 soldiers would have been discharged during this ten-year period. These soldiers, as well as any dependents or future dependents, would be eligible to have tuition and fees waived. While there is considerable variation in tuition and required fees among the postsecondary institutions, the average tuition and required fees for 2008-2009 for a public four-year school is \$5,746, for a public two-year school is \$2,091, and for a private four-year school is \$17,522. The Board states that conservatively, if only 10.0 percent of the discharged soldiers from 2001 through 2010 ($23,500 \times .10 = 2,350$) took advantage of this benefit, and assuming that one half attended a four-year institution ($\$5,746 \times 1,175 \text{ veterans} = \$6,751,550$) and one half attended a community college ($\$2,091 \times 1,175 \text{ veterans} = \$2,456,925$), the fiscal effect would be \$9.2 million from the State General Fund for one academic year. The claims for tuition and fees reimbursement would be paid out by the Kansas Commission on Veterans Affairs, which would be able to handle administrative costs within existing resources.

The FY 2012 Governor's budget recommendation for the Kansas Department of Wildlife and Parks provided for expenditures of \$6,882,035 from the Parks Fee Fund with an estimated ending balance on June 30, 2012 of \$136,476. The Department currently issues approximately 35,250 annual vehicle park permits. If 10.0 percent of the annual permits were issued to veterans, the estimated loss of revenue to the Parks Fee Fund would be \$78,255, leaving an ending balance of \$58,221.

The agency believes that the waiver of the annual vehicle permit fee for honorably discharged veterans could have a significant effect on revenue to the Parks Fee Fund. Using the estimate of 23,500 veterans discharged during the ten-year period 2001 to 2010, and assuming that the average veteran is approximately 25 years old and would be eligible for the fee waiver for the next 40 years, the agency estimates that for the period 1970 to 2010, there would be approximately 94,000 honorably discharged veterans eligible for the fee waiver. If 50.0 percent of those eligible used the fee waiver, approximately 47,000 annual park vehicle fees would be waived the first year. The Department charges \$19.70 for an annual vehicle permit during the off-season and \$24.70 during the summer season. Assuming that half of the fee waivers would be during the off-season ($23,500 \times 19.70 = \$462,950$) and half during the summer season ($23,500 \times \$24.70 = \$580,450$), the loss of potential revenue to the Parks Fee fund during a fiscal year could be as much as \$1,043,400 ($\$462,950 + \$580,450 = \$1,043,400$). The long term effect on state park operations would be an increase in park users and a reduction in the level of services available to those users.

The Department of Revenue estimates that the tax exemption provision of HB 2168 would decrease state revenues by \$2.36 million in FY 2012. Of that total, the State General Fund is estimated to decrease by \$2.09 million, while the State Highway Fund is estimated to decrease by \$270,000. This bill also is estimated to decrease local revenues by \$590,000 in FY 2012. The decrease in revenues and how the November 2, 2010 consensus revenue estimate for FY 2012 would be affected are shown in the following table:

Effect on FY 2012 Consensus Revenue Estimates
 (Dollars in Thousands)

Receipt Description	Consensus Revenue Estimates (Nov. 2, 2010)	Change in Revenue FY 2012	Proposed Adjusted CRE FY 2012
Motor Carrier	\$ 27,000	\$ (270)	\$ 26,730
Income Taxes:			
Individual	2,705,000	--	2,705,000
Corporate	275,000	--	275,000
Financial Institutions	21,000	--	21,000
Excise Taxes:			
Retail Sales	2,090,000	(2,090)	2,087,910
Compensating Use	295,000	--	295,000
Cigarette	97,000	--	97,000
Corporate Franchise	8,000	--	8,000
Severance	94,300	--	94,300
All Other Excise Taxes	96,400	--	96,400
Other Taxes	<u>127,000</u>	<u>--</u>	<u>127,000</u>
Total Taxes	\$5,835,700	\$ (2,360)	\$5,833,340
Other Revenues:			
Interest	\$ 11,800	\$ --	\$ 11,800
Transfers	(93,700)	--	(93,700)
Agency Earnings	<u>56,800</u>	<u>--</u>	<u>56,800</u>
Total Other Revenues	(\$ 25,100)	\$ --	(\$ 25,100)
Total Receipts	\$5,810,600	\$ (2,360)	\$5,808,240

The fiscal effect to state revenues during subsequent years would be as follows:

	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
State General Fund	(\$2,170,000)	(\$1,730,000)	(\$1,790,000)	(\$1,860,000)
State Highway Fund	(270,000)	(400,000)	(420,000)	(430,000)
Local Governments	<u>(610,000)</u>	<u>(530,000)</u>	<u>(550,000)</u>	<u>(570,000)</u>
	(\$3,050,000)	(\$2,660,000)	(\$2,760,000)	(\$2,860,000)

To formulate these estimates, the Department of Revenue reviewed data from the Department of Veterans Affairs.

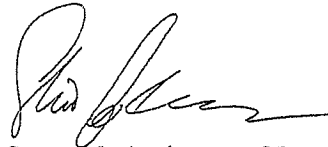
Costs to the Department of Revenue for administration of this bill are estimated to be \$35,550 annually, which would include accepting applications, verifying eligibility, corresponding with veterans, and issuing the exemption certificates. The Department would

The Honorable Mario Goico, Chairperson
February 15, 2011
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need to hire additional, temporary staff at a cost of \$30,000, update its publications and processes at a cost of \$1,050, and modify the existing exemption certificate process at a cost of \$4,500.

Any fiscal effect associated with HB 2168 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Dale Dennis, Education
Diane Duffy, Board of Regents
Dick Koerth, W&P
Steve Neske, Revenue