

Session of 2019

HOUSE BILL No. 2144

By Representative Williams

2-5

House Education  
Date: Feb. 21, 2019  
Attachment: 1

1 AN ACT concerning community colleges; relating to ~~budget authority and~~  
2 ~~expenditures; tax levy authority;~~ identification of transferable credits;  
3 ~~residency requirements;~~ amending K.S.A. 71-204, 71-301, ~~71-406, 71-~~  
4 ~~407 and 71-612~~ and repealing the existing sections.

publication of financial information

section

Strike in lines 3 and 4

6 Whereas, Nineteen Kansas community colleges are located in 18 of the  
7 105 Kansas counties and exercise taxing authority through their board of  
8 trustees for an increasingly greater percentage of total college revenue; and

9 Whereas, These community colleges derive property tax income from  
10 local taxpayers while their neighboring counties utilize the college and its  
11 benefits, yet do not pay any local property tax; and

12 Whereas, These local taxpayers are owed a high degree of transparency  
13 and accountability for their property tax contribution; and

14 Whereas, Students who attend community colleges deserve  
15 transparency regarding the transfer of student courses and how student  
16 fees are expended; and

17 Whereas, The students and taxpayers of the taxing county or district  
18 shall be reaffirmed as priority in financial decisions, reporting processes  
19 and transparency measures that provide maximum benefit and  
20 accountability to the local taxpayers and local in-district students; and

2 and

21 Whereas, The provisions of sections ~~1 through 3~~ and the 2019  
22 amendments to K.S.A. ~~71-204, 71-301, 71-406, 71-407 and 71-612~~ shall  
23 be known as the community college taxpayer transparency act.

Strike in line 22

24 Now, therefore:

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

26 ~~New Section 1. No board of trustees of a community college shall~~  
27 ~~authorize the expenditure of any moneys for the purpose of construction,~~  
28 ~~reconstruction, repair, remodeling, additions to, furnishing and equipping~~  
29 ~~of community college buildings, architectural expenses incidental thereto,~~  
30 ~~the acquisition of real property or the lease of any real property with an~~  
31 ~~aggregate expenditure of more than \$250,000 until a resolution authorizing~~  
32 ~~such expenditure is passed by the board of trustees, published once each~~  
33 ~~week for three consecutive weeks in a newspaper having general~~  
34 ~~circulation in the community college district and published on such~~  
35 ~~community college's website homepage with an easily identifiable link to~~  
36 ~~such community college's taxpayer and student transparency data required~~

Strike all in lines 26 through 36

1 ~~under section 3, and amendments thereto. The resolution shall specify the~~  
2 ~~aggregate amount of the expenditure, the period of time during which~~  
3 ~~expenditures shall be made and the purpose of such expenditure. After~~  
4 ~~adoption of the resolution, the expenditure shall be authorized and may be~~  
5 ~~made unless, within 60 days following the last publication of the~~  
6 ~~resolution, a petition in opposition to the resolution, signed by not less~~  
7 ~~than 5% of the qualified electors of the community college district, is filed~~  
8 ~~with the county election officer of the county in which the main campus of~~  
9 ~~the community college is located. If a petition is filed, the expenditure~~  
10 ~~shall not be authorized without the question of making such expenditure~~  
11 ~~having been submitted to and approved by a majority of the qualified~~  
12 ~~electors of the district voting at an election called for that purpose or at the~~  
13 ~~next general election. If a petition is filed and no election is held, a new~~  
14 ~~resolution authorizing the same or a substantially similar expenditure for~~  
15 ~~the purposes specified in this section may not be adopted for a period of~~  
16 ~~one year after the filing of the petition.~~

17 New Sec. 2. The board of trustees of each community college shall  
18 identify those courses offered by such community college that are fully  
19 transferable to a state educational institution, as that term is defined in  
20 K.S.A. 76-711, and amendments thereto. All such courses shall be  
21 prominently identified on such community college's website, and in any  
22 publication that provides a list or description of any courses offered by  
23 such community college.

24 New Sec. 3. The board of trustees of each community college shall  
25 annually publish the following information ~~once each week for three~~  
26 ~~consecutive weeks in a newspaper having general circulation in the~~  
27 ~~community college district and on such community college's website~~  
28 ~~homepage with an easily identifiable link, which shall be titled, "Taxpayer~~  
29 ~~and student transparency data":~~

30 (a) The tuition rate for: (1) Students residing in the community  
31 college district; (2) students residing outside the community college  
32 district; (3) students residing outside the state of Kansas; and (4) students  
33 residing outside the United States;

34 (b) the fees charged to: (1) Students residing in the community  
35 college district; (2) students residing outside the community college  
36 district; (3) students residing outside the state of Kansas; and (4) students  
37 residing outside the United States;

38 (c) the total cost, excluding textbooks and housing costs, per credit  
39 hour for each semester for: (1) Students residing in the community college  
40 district; (2) students residing outside the community college district; (3)  
41 students residing outside the state of Kansas; and (4) students residing  
42 outside the United States;

43 (d) the percentage of students attending each campus operated by the

Strike all in lines 1 through 16

Strike in lines 25 through 27

1 community college for: (1) Students residing in the community college  
2 district; (2) students residing outside the community college district; (3)  
3 students residing outside the state of Kansas; and (4) students residing  
4 outside the United States;

5 (e) the enrollment percentage of: (1) Students residing in the  
6 community college district; and (2) students residing outside the  
7 community college district;

8 (f) the enrollment percentage of students residing in the service area  
9 of the community college;

10 (g) the name of the county with the largest number of students who  
11 are enrolled in the community college but who are residing outside of the  
12 community college district, and the enrollment percentage of such  
13 students;

14 (h) the aggregate amount of property tax revenues collected for tax  
15 levies imposed by the board of trustees of the community college for each  
16 of the immediately preceding five fiscal years and the change in such  
17 amount from year-to-year, expressed as a percentage;

18 (i) the aggregate amount of mills levied by the board of trustees of the  
19 community college for each of the immediately preceding five fiscal years  
20 and the change in such amount from year-to-year, expressed as a  
21 percentage; and

22 (j) the aggregate amount budgeted for the two immediately preceding  
23 fiscal years for scholarships, and the total amount budgeted for the two  
24 immediately preceding fiscal years for:

25 (1) Athletic scholarships for students residing in the community  
26 college district;

27 (2) athletic scholarships for students residing outside the state of  
28 Kansas;

29 (3) non-athletic scholarships for students residing in the community  
30 college district; and

31 (4) non-athletic scholarships for students residing outside the state of  
32 Kansas.

33 ~~Sec. 4. K.S.A. 71-204 is hereby amended to read as follows: 71-204.~~

34 ~~(a) For the purpose of community college maintenance and operation, the~~  
35 ~~board of trustees is authorized to levy a tax on the taxable tangible~~  
36 ~~property of the community college district. Subject to the limitations of~~  
37 ~~subsection (b), such tax levy shall be the amount determined by the board~~  
38 ~~of trustees to be sufficient to finance that part of the budget of the~~  
39 ~~community college which is not financed from any other source provided~~  
40 ~~by law. The budget of the community college shall be prepared and~~  
41 ~~adopted as provided by law, and the tax levy therefor shall be certified to~~  
42 ~~the county clerk of every county a part of the territory of which is in the~~  
43 ~~community college district.~~

Strike all in lines 33 through 43

1 ~~(b) Commencing in fiscal year 2020, and each fiscal year thereafter,~~  
 2 ~~the tax levy authorized by subsection (a) shall be reduced (1) in the 2001~~  
 3 ~~fiscal year by an amount equal to 80% of the amount of the difference~~  
 4 ~~between the amount of state aid received by the community college in the~~  
 5 ~~2000 fiscal year less an amount equal to 25% of the amount of out district~~  
 6 ~~tuition received by the community college in such fiscal year and the~~  
 7 ~~amount of the state grant to which the community college is entitled in the~~  
 8 ~~2001 fiscal year and (2) in fiscal years 2002, 2003 and 2004 by an amount~~  
 9 ~~equal to 80% of the amount of the difference between the amount of the~~  
 10 ~~state grant received by the community college in the preceding fiscal year~~  
 11 ~~less an amount equal to 25% of the amount of out district tuition received~~  
 12 ~~by the community college in the 2000 fiscal year and the amount of the~~  
 13 ~~state grant to which the community college is entitled in the current fiscal~~  
 14 ~~year and (3) in each fiscal year after the 2004 fiscal year by an amount~~  
 15 ~~equal to 80% of the amount of the difference between the amount of the~~  
 16 ~~state grant aggregate amount of state aid received by the community~~  
 17 ~~college in the immediately preceding fiscal year and the amount of the~~  
 18 ~~state grant aggregate amount of state aid to be distributed to which the~~  
 19 ~~community college is entitled in the current fiscal year.~~

20 Sec. 5. K.S.A. 71-301 is hereby amended to read as follows: 71-301.

21 (a) The board of trustees shall charge to and collect from each student  
 22 tuition at rates per credit hour enrolled which shall be established by the  
 23 board of trustees.

24 (b) In addition to tuition, the board of trustees may charge to and  
 25 collect from each student fees at rates which shall be established by the  
 26 board of trustees. Any fee charged pursuant to this section shall be for a  
 27 specific purpose, which shall be clearly stated on any billing statements or  
 28 other information provided to students that includes fees charged by the  
 29 community college. Revenues from all fees shall only be expended for that  
 30 purpose for which the fee is charged.

31 Sec. 6. K.S.A. 71-406 is hereby amended to read as follows: 71-406.

32 (a) Subject to the provisions of K.S.A. 71-407, and amendments thereto,  
 33 persons enrolling in a community college who, if adults, have not been, or  
 34 if minors, whose parents have not been residents of the state of Kansas for  
 35 at least six months prior to enrollment for any term or session are  
 36 nonresidents of the state for the purpose of determining state entitlements.

37 (b) For the purpose of determining the residence of persons enrolling  
 38 as a student in a community college, residence of minors shall be  
 39 determined as provided in K.S.A. 72-1046, and amendments thereto, and  
 40 of adults as provided in subpart Twenty third of K.S.A. 77-201, and  
 41 amendments thereto: (1) A student shall not be considered a resident of  
 42 the state of Kansas unless such student provides a valid Kansas driver's  
 43 license, or other form of identification issued by the state and proof that

Strike all in lines 1 through 19

Strike all in lines 31 through 43

Strike all in lines 1 through 43

~~1 such student or such student's parent or legal guardian has satisfied at  
2 least two of the following:~~

~~3 (A) Payment of Kansas real property tax;~~

~~4 (B) payment of Kansas income tax;~~

~~5 (C) reliance on a Kansas-based source of financial support;~~

~~6 (D) acceptance of permanent employment in this state;~~

~~7 (E) ownership of residential real property located in this state and  
8 that such student or such student's parent or legal guardian resides on  
9 such real property; or~~

~~10 (F) enrollment in an educational program that indicates an intent to  
11 maintain a permanent presence in Kansas upon graduation; and~~

~~12 (2) a student shall not be considered a resident of the community  
13 college district unless such student provides a valid Kansas driver's  
14 license, or other form of identification issued by the state and such student  
15 or such student's parent or legal guardian has satisfied at least two of the  
16 following:~~

~~17 (A) Payment of Kansas real property tax on real property located in  
18 the community college district;~~

~~19 (B) payment of Kansas income tax on income earned from an  
20 employer or other income source located in the community college  
21 district;~~

~~22 (C) reliance on a source of financial support located in the  
23 community college district;~~

~~24 (D) acceptance of permanent employment with an employer located  
25 in the community college district; or~~

~~26 (E) ownership of residential real property located in the community  
27 college district and that such student or such student's parent or legal  
28 guardian resides on such real property.~~

~~29 (c) The state board of regents may adopt rules and regulations  
30 governing the determination of residence of students.~~

~~31 Sec. 7. K.S.A. 71-407 is hereby amended to read as follows: 71-407.~~

~~32 (a) The following persons, or any class or classes thereof, and their  
33 spouses and dependents, may be considered residents of the state of  
34 Kansas by the state board for the purpose of determining state entitlements  
35 of community colleges: (1) Persons who are in active military service of  
36 the United States; (2) persons who are domiciliary residents of the state,  
37 who were in active military service prior to becoming domiciliary  
38 residents of the state, who were present in the state for a period of not less  
39 than two years during their tenure in active military service, whose  
40 domiciliary residence was established in the state within 30 days of  
41 discharge or retirement from active military service under honorable  
42 conditions, but whose domiciliary residence was not timely enough  
43 established to meet the residence duration requirement in accordance with~~

Strike all in lines 1 through 43
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1 ~~the requirements of K.S.A. 71-406, and amendments thereto; (3) persons~~  
 2 ~~who are employees of a community college; (4) persons having special~~  
 3 ~~domestic relations circumstances; (5) persons who have lost their resident~~  
 4 ~~status within six months of enrollment; (6) persons who are not~~  
 5 ~~domiciliary residents of the state, who have graduated from a high school~~  
 6 ~~accredited by the state board of education within six months of enrollment~~  
 7 ~~at a community college, who were domiciliary residents of the state at the~~  
 8 ~~time of graduation from high school or within 12 months prior to~~  
 9 ~~graduation from high school, and who are entitled to admission at a state~~  
 10 ~~educational institution pursuant to K.S.A. 72-116 K.S.A. 2018 Supp. 76-~~  
 11 ~~717b, and amendments thereto; and (7) persons who are domiciliary~~  
 12 ~~residents of the state, whose domiciliary residence was established in the~~  
 13 ~~state for the purpose of accepting, upon recruitment by an employer, or~~  
 14 ~~retaining, upon transfer required by an employer, a position of full-time~~  
 15 ~~employment at a place of employment in Kansas, but the domiciliary~~  
 16 ~~residence of whom was not timely enough established to meet the~~  
 17 ~~residence duration requirement in accordance with the requirements of~~  
 18 ~~K.S.A. 71-406, and amendments thereto.~~

19 ~~(b) As used in this section:~~

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

23 ~~(2) "Full-time employment" means employment requiring at least~~  
 24 ~~1,500 hours of work per year.~~

25 ~~(c) The state board shall prescribe criteria and guidelines for~~  
 26 ~~determination of the eligibility of persons specified in subsection (a) to be~~  
 27 ~~considered residents of the state and shall specify the evidence necessary~~  
 28 ~~to be submitted by such persons as proof of eligibility. Evidence submitted~~  
 29 ~~by a person as proof of eligibility claimed under subsection (a)(7) must~~  
 30 ~~include, but not by way of limitation, certification of the claim by the~~  
 31 ~~employer of the person.~~

32 ~~Sec. 8. K.S.A. 71-612 is hereby amended to read as follows: 71-612.~~  
 33 ~~In any fiscal year, each community college may budget and expend for~~  
 34 ~~operating expenses any amount the board of trustees determines necessary~~  
 35 ~~to be budgeted therefor. The board of trustees shall not approve any~~  
 36 ~~budget in an amount exceeding that of the immediately preceding fiscal~~  
 37 ~~year, adjusted to reflect changes in the consumer price index for all urban~~  
 38 ~~consumers as published by the United States department of labor for the~~  
 39 ~~preceding calendar year unless the board adopts such budget by~~  
 40 ~~resolution. The adoption of a resolution pursuant to this section shall~~  
 41 ~~require a majority vote of the board. The resolution shall be published at~~  
 42 ~~least once in a newspaper having general circulation in the county where~~  
 43 ~~the community college is located and on such community college's website~~

~~homepage with an easily identifiable link to such community college's taxpayer and student transparency data required under section 3, and amendments thereto. The resolution shall be published in substantial compliance with the following form:~~

~~Community College,  
County, Kansas.~~

Strike all in lines 1 through 36

~~RESOLUTION~~

~~Be It Resolved that:~~

~~The board of trustees of the above named community college shall be authorized to adopt a budget for fiscal year \_\_\_\_\_ in an amount not to exceed \$ \_\_\_\_\_. The budget authorized by this resolution may be adopted, unless a petition in opposition to the same, signed by not less than 5% of the qualified electors of the county, is filed with the county election officer within 10 days after publication of this resolution. If a petition is filed, the county election officer shall submit the question of whether adoption of the budget shall be authorized to the electors of the county at an election called for the purpose or at the next general election, as is specified by the board of trustees of the community college.~~

~~CERTIFICATE~~

~~This is to certify that the above resolution was duly adopted by the board of trustees of \_\_\_\_\_ community college, \_\_\_\_\_ County, Kansas, on the \_\_\_\_\_ day of \_\_\_\_\_,~~

~~Clerk of the board of trustees.~~

~~All of the blanks in the resolution shall be filled appropriately. If a sufficient petition is not filed, the board may adopt the budget. If a sufficient petition is filed, the board may notify the county election officer of the date of an election to be held to submit the question of whether adoption of the budget shall be authorized. Any such election shall be noticed, called and held in the manner provided by K.S.A. 10-120, and amendments thereto. If the board fails to notify the county election officer within 30 days after a sufficient petition is filed, or if a majority of the electors voting at such an election do not approve such resolution, the resolution shall be deemed abandoned and no resolution authorizing the adoption of a budget of equal or greater amount shall be adopted by the board within the nine months following publication of the resolution.~~

Strike in line 37

Sec. 9. K.S.A. 71-204, 71-301, 71-406, 71-407 and 71-612 are hereby repealed.

is

Sec. 10. This act shall take effect and be in force from and after its publication in the statute book.