

**HOUSE BILL No. 2144**

By Representative Williams

2-5

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.

5  
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

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.

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

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

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.

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*~~

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*

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*

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

5 \_\_\_\_\_ Community College,  
6 \_\_\_\_\_ County, Kansas.

7 **RESOLUTION**

8 *Be It Resolved that:*

9 The board of trustees of the above-named community college shall be  
10 authorized to adopt a budget for fiscal year \_\_\_\_ in an amount not to  
11 exceed \$ \_\_\_\_\_. The budget authorized by this resolution may be adopted,  
12 unless a petition in opposition to the same, signed by not less than 5% of  
13 the qualified electors of the county, is filed with the county election officer  
14 within 40 days after publication of this resolution. If a petition is filed, the  
15 county election officer shall submit the question of whether adoption of the  
16 budget shall be authorized to the electors of the county at an election  
17 called for the purpose or at the next general election, as is specified by the  
18 board of trustees of the community college.

19 **CERTIFICATE**

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

23 \_\_\_\_\_  
24 Clerk of the board of trustees.

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

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

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