

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~~ **publication of financial information**;
3 identification of transferable credits; ~~residency requirements~~; amending
4 K.S.A. ~~71-204, 71-301, 71-406, 71-407 and 71-612~~ and repealing the
5 existing ~~sections~~ **section**.
6

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

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

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

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

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

22 Whereas, The provisions of sections ~~1 through 3 and 2~~ and the 2019
23 amendments to K.S.A. ~~71-204, 71-301, 71-406, 71-407 and 71-612~~ shall
24 be known as the community college taxpayer transparency act.

25 Now, therefore:

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

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

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

20 ~~New Sec. 2~~ **Section 1.** The board of trustees of each community
21 college shall identify those courses offered by such community college
22 that are fully transferable to a **transfer to all** state educational institution
23 **institutions**, as that term is defined in K.S.A. 76-711, and amendments
24 thereto. All such courses shall be prominently identified on such
25 community college's website, and in any publication that provides a list or
26 description of any courses offered by such community college and shall
27 **be accessible through a link on the state board of regent's website.**

28 ~~New Sec. 3~~ **2.** The board of trustees of each community college shall
29 annually publish the following information ~~once each week for three~~
30 ~~consecutive weeks in a newspaper having general circulation in the~~
31 ~~community college district and on such community college's website~~
32 ~~homepage with an easily identifiable link, which shall be titled, "Taxpayer~~
33 ~~and student transparency data":~~

34 (a) The tuition rate for: (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 (b) the fees charged to: (1) Students residing in the community
39 college district; (2) students residing outside the community college
40 district; (3) students residing outside the state of Kansas; and (4) students
41 residing outside the United States;

42 (c) the total cost, excluding textbooks and housing costs, per credit
43 hour for each semester for: (1) Students residing in the community college

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

4 (d) the percentage of students attending each campus operated by the
 5 community college for: (1) Students residing in the community college
 6 district; (2) students residing outside the community college district; (3)
 7 students residing outside the state of Kansas; and (4) students residing
 8 outside the United States;

9 (e) the enrollment percentage of: (1) Students residing in the
 10 community college district; and (2) students residing outside the
 11 community college district;

12 (f) the enrollment percentage of students residing in the service area
 13 of the community college;

14 ~~(g) the name of the county with the largest number of students who~~
 15 ~~are enrolled in the community college but who are residing outside of the~~
 16 ~~community college district, and the enrollment percentage of such~~
 17 ~~students;~~

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

22 ~~(h)~~ the aggregate amount of mills levied by the board of trustees of
 23 the community college for each of the immediately preceding five fiscal
 24 years and the change in such amount from year-to-year, expressed as a
 25 percentage; and

26 ~~(i)~~ **(1)** *Subject to paragraph (2), the aggregate amount ~~budgeted~~*
 27 *disbursed* for the two immediately preceding fiscal years for **all**
 28 **institutional** scholarships, *foundation scholarships and pell grants*, and
 29 the total amount ~~budgeted~~ *disbursed* for the two immediately preceding
 30 fiscal years for:

31 ~~(A)~~ **(A)** Athletic scholarships for students residing in the community
 32 college district;

33 ~~(B)~~ **(B)** athletic scholarships for students residing outside the state of
 34 Kansas;

35 ~~(C)~~ **(C)** non-athletic scholarships for students residing in the
 36 community college district; and

37 ~~(D)~~ **(D)** non-athletic scholarships for students residing outside the state
 38 of Kansas.

39 **(2)** *No aggregate information required to be reported pursuant to*
 40 *paragraph (1) shall be reported if such information could identify a*
 41 *student with reasonable certainty.*

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

43 (a) For the purpose of community college maintenance and operation, the

1 board of trustees is authorized to levy a tax on the taxable tangible
2 property of the community college district. *Subject to the limitations of*
3 *subsection (b)*, such tax levy shall be the amount determined by the board
4 of trustees to be sufficient to finance that part of the budget of the
5 community college which is not financed from any other source provided
6 by law. The budget of the community college shall be prepared and
7 adopted as provided by law, and the tax levy therefor shall be certified to
8 the county clerk of every county a part of the territory of which is in the
9 community college district.

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

29 Sec. 5 3. K.S.A. 71-301 is hereby amended to read as follows: 71-
30 301. (a) The board of trustees shall charge to and collect from each student
31 tuition at rates per credit hour enrolled which shall be established by the
32 board of trustees.

33 (b) In addition to tuition, the board of trustees may charge to and
34 collect from each student fees at rates ~~which shall be~~ **and for purposes**
35 established by the board of trustees. *Any fee charged pursuant to this*
36 *section shall be for a specific purpose, which shall be clearly stated on the*
37 **community college's website**. *Any billing statements or other information*
38 *provided to students that includes fees charged by the community college*
39 **regarding student fees shall guide students to such website address**.
40 *Revenues from all fees shall only be expended for that purpose for which*
41 *the fee is charged*.

42 Sec. 6.—K.S.A. 71-406 is hereby amended to read as follows: 71-406.
43 (a) Subject to the provisions of K.S.A. 71-407, and amendments thereto,

1 persons enrolling in a community college who, if adults, have not been, or
2 if minors, whose parents have not been residents of the state of Kansas for
3 at least six months prior to enrollment for any term or session are
4 nonresidents of the state for the purpose of determining state entitlements.

5 ~~(b) For the purpose of determining the residence of persons enrolling
6 as a student in a community college, residence of minors shall be
7 determined as provided in K.S.A. 72-1046, and amendments thereto, and
8 of adults as provided in subpart *Twenty-third* of K.S.A. 77-201, and
9 amendments thereto : (1) A student shall not be considered a resident of
10 the state of Kansas unless such student provides a valid Kansas driver's
11 license, or other form of identification issued by the state and proof that
12 such student or such student's parent or legal guardian has satisfied at
13 least two of the following:~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

43 ~~(a) The following persons, or any class or classes thereof, and their~~

1 spouses and dependents, may be considered residents of the state of
2 Kansas by the state board for the purpose of determining state entitlements
3 of community colleges: (1) Persons who are in active military service of
4 the United States; (2) persons who are domiciliary residents of the state,
5 who were in active military service prior to becoming domiciliary
6 residents of the state, who were present in the state for a period of not less
7 than two years during their tenure in active military service, whose
8 domiciliary residence was established in the state within 30 days of
9 discharge or retirement from active military service under honorable
10 conditions, but whose domiciliary residence was not timely enough
11 established to meet the residence duration requirement *in accordance with*
12 *the requirements* of K.S.A. 71-406, and amendments thereto; (3) persons
13 who are employees of a community college; (4) persons having special
14 domestic relations circumstances; (5) persons who have lost their resident
15 status within six months of enrollment; (6) persons who are not
16 domiciliary residents of the state, who have graduated from a high school
17 accredited by the state board of education within six months of enrollment
18 at a community college, who were domiciliary residents of the state at the
19 time of graduation from high school or within 12 months prior to
20 graduation from high school, and who are entitled to admission at a state
21 educational institution pursuant to K.S.A. 72-116 K.S.A. 2018 Supp. 76-
22 717b, and amendments thereto; and (7) persons who are domiciliary
23 residents of the state, whose domiciliary residence was established in the
24 state for the purpose of accepting, upon recruitment by an employer, or
25 retaining, upon transfer required by an employer, a position of full-time
26 employment at a place of employment in Kansas, but the domiciliary
27 residence of whom was not timely enough established to meet the
28 residence duration requirement *in accordance with the requirements* of
29 K.S.A. 71-406, and amendments thereto.

30 (b) As used in this section:

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

34 (2) "Full-time employment" means employment requiring at least
35 1,500 hours of work per year.

36 (c) The state board shall prescribe criteria and guidelines for
37 determination of the eligibility of persons specified in subsection (a) to be
38 considered residents of the state and shall specify the evidence necessary
39 to be submitted by such persons as proof of eligibility. Evidence submitted
40 by a person as proof of eligibility claimed under subsection (a)(7) must
41 include, but not by way of limitation, certification of the claim by the
42 employer of the person.

43 Sec. 8.—K.S.A. 71-612 is hereby amended to read as follows: 71-612:

1 In any fiscal year, each community college may budget and expend for
 2 operating expenses any amount the board of trustees determines necessary
 3 to be budgeted therefor. ~~The board of trustees shall not approve any~~
 4 ~~budget in an amount exceeding that of the immediately preceding fiscal~~
 5 ~~year, adjusted to reflect changes in the consumer price index for all urban~~
 6 ~~consumers as published by the United States department of labor for the~~
 7 ~~preceding calendar year unless the board adopts such budget by~~
 8 ~~resolution. The adoption of a resolution pursuant to this section shall~~
 9 ~~require a majority vote of the board. The resolution shall be published at~~
 10 ~~least once in a newspaper having general circulation in the county where~~
 11 ~~the community college is located and on such community college's website~~
 12 ~~homepage with an easily identifiable link to such community college's~~
 13 ~~taxpayer and student transparency data required under section 3, and~~
 14 ~~amendments thereto. The resolution shall be published in substantial~~
 15 ~~compliance with the following form:~~

16 _____ Community College,
 17 _____ County, Kansas.

18 **RESOLUTION**

19 *Be It Resolved that:*

20 ~~The board of trustees of the above-named community college shall be~~
 21 ~~authorized to adopt a budget for fiscal year _____ in an amount not to~~
 22 ~~exceed \$ _____. The budget authorized by this resolution may be adopted,~~
 23 ~~unless a petition in opposition to the same, signed by not less than 5% of~~
 24 ~~the qualified electors of the county, is filed with the county election officer~~
 25 ~~within 40 days after publication of this resolution. If a petition is filed, the~~
 26 ~~county election officer shall submit the question of whether adoption of the~~
 27 ~~budget shall be authorized to the electors of the county at an election~~
 28 ~~called for the purpose or at the next general election, as is specified by the~~
 29 ~~board of trustees of the community college.~~

30 **CERTIFICATE**

31 ~~This is to certify that the above resolution was duly adopted by the~~
 32 ~~board of trustees of _____ community college,~~
 33 ~~_____ County, Kansas, on the _____ day of _____, _____.~~

34 _____
 35 ~~Clerk of the board of trustees.~~

36 ~~All of the blanks in the resolution shall be filled appropriately. If a~~
 37 ~~sufficient petition is not filed, the board may adopt the budget. If a~~
 38 ~~sufficient petition is filed, the board may notify the county election officer~~
 39 ~~of the date of an election to be held to submit the question of whether~~
 40 ~~adoption of the budget shall be authorized. Any such election shall be~~
 41 ~~noticed, called and held in the manner provided by K.S.A. 10-120, and~~
 42 ~~amendments thereto. If the board fails to notify the county election officer~~
 43 ~~within 30 days after a sufficient petition is filed, or if a majority of the~~

1 ~~electors voting at such an election do not approve such resolution, the~~
2 ~~resolution shall be deemed abandoned and no resolution authorizing the~~
3 ~~adoption of a budget of equal or greater amount shall be adopted by the~~
4 ~~board within the nine months following publication of the resolution.~~

5 Sec. ~~9~~ 4. K.S.A. ~~71-204, 71-301, 71-406, 71-407 and 71-612~~ are is
6 hereby repealed.

7 Sec. ~~10~~ 5. This act shall take effect and be in force from and after
8 **July 1, 2020, and** its publication in the statute book.