

## HOUSE BILL No. 2179

By Committee on Appropriations

1-30

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9 AN ACT concerning the low-income family postsecondary savings ac-  
10 counts incentive program; amending K.S.A. 2008 Supp. 75-650 and  
11 repealing the existing section.  
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13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2008 Supp. 75-650 is hereby amended to read as  
15 follows: 75-650. (a) As used in this section:

16 (1) "Federal poverty level" means the most recent poverty income  
17 guidelines published in the calendar year by the United States depart-  
18 ment of health and human services.

19 (2) "Program" means the low-income family postsecondary savings  
20 accounts incentive program established by this section.

21 (3) "Qualified individual or family" means an individual or family who  
22 resides within the state of Kansas and whose household income is not  
23 more than 200% of the federal poverty level ~~at the time of application~~  
24 *for the tax year prior to the year in which the application is submitted.*

25 (4) "Participant" means a qualified individual or family who has been  
26 approved for participation in the program.

27 (5) "District" means a congressional district of the state of Kansas.

28 (6) Words and phrases have the meanings provided by K.S.A. 75-643,  
29 and amendments thereto, unless otherwise provided by this section.

30 (b) There is hereby established the low-income family postsecondary  
31 savings accounts incentive program. The purpose of the program is to  
32 encourage the establishment of family postsecondary savings accounts  
33 pursuant to K.S.A. 75-640, and amendments thereto, by qualified indi-  
34 viduals and families.

35 (c) The treasurer shall:

36 (1) Implement and administer the program;

37 (2) develop marketing plans and promotional material for the  
38 program;

39 (3) prescribe the procedure for, and requirements relating to, the  
40 submission and approval of applications;

41 (4) do all things necessary and proper to carry out the purposes of  
42 this act; and

43 (5) adopt any rules and regulations and policies deemed necessary

1 for implementation and administration of the program.

2 (d) Applications for participation in the program shall be submitted  
3 to the treasurer in the manner and form required by the treasurer. Ap-  
4 plications shall be accompanied by any information deemed necessary by  
5 the treasurer. *Applications must be submitted each year using the appli-  
6 cant's household income from the previous tax year.*

7 (e) ~~During fiscal year 2007, the treasurer may approve no more than  
8 400 applications. Each fiscal year thereafter, the treasurer may approve  
9 up to 400 applications in addition to those approved in the previous fiscal  
10 year. In each fiscal year, the treasurer shall approve no more than 100  
11 applications from residents of a single district. If 100 applications from  
12 residents of a district are not approved in any fiscal year, the treasurer  
13 may approve additional applications submitted by residents of the re-  
14 maining districts. Beginning in calendar year 2009, the treasurer may  
15 approve no more than 300 applications from a single district. If 300 ap-  
16 plications from residents of a district are not approved in calendar year  
17 2009 or any year thereafter, the treasurer may approve additional appli-  
18 cations submitted by residents of the remaining districts up to the pro-  
19 gram total of 1,200 per year. Applications shall be approved on a first  
20 come, first served basis. The treasurer shall provide written notice, to an  
21 applicant, of the approval or nonapproval of such person's application.  
22 No application shall be approved after June 30, 2009.~~

23 (f) ~~The provisions of this subsection shall be subject to the limitations  
24 of appropriations. The amount of contributions made to an account by a  
25 participant who establishes a family postsecondary savings account pur-  
26 suant to K.S.A. 75-640 et seq., and amendments thereto, shall be matched  
27 by the state on a dollar-for-dollar basis if the participant contributes at  
28 least \$100 in each calendar year in which the account is open during the  
29 calendar year for which the participant has been approved. The aggregate  
30 of all matching amounts for any participant shall not exceed \$600 in any  
31 calendar year. No moneys shall be appropriated for the purpose of mar-  
32 keting or administering this program in an amount which exceeds  
33 \$50,000. No moneys shall be appropriated for the purpose of matching  
34 contributions after June 30, 2009.~~

35 (g) Between January 1 and January 31 of each year, the director of  
36 accounts and reports shall transfer from the state general fund to the  
37 Kansas postsecondary education savings program trust fund the amount,  
38 as certified by the treasurer, necessary to meet the matching obligations  
39 under subsection (f) for the preceding calendar year. On or before Jan-  
40 uary 31 of each year, the treasurer shall transfer from the Kansas postse-  
41 condary education savings program trust fund to the account of each  
42 participant the amount determined by the treasurer to meet the matching  
43 obligation due to such participant under subsection (f) for the preceding

1 calendar year.

2 (h) The treasurer shall ensure that all withdrawals of matching funds  
3 are used for qualified withdrawals under K.S.A. 75-640 et seq., and  
4 amendments thereto.

5 (i) ~~On or before January 15, 2009,~~ The treasurer shall prepare and  
6 submit to the governor and legislature a report on the program *on or*  
7 *before January 31 of each year*. Such report shall include the number of  
8 accounts opened under the program, the amount of moneys contributed  
9 to such accounts by participants, the amount of matching moneys trans-  
10 ferred by the treasurer pursuant to subsection (g), the average income of  
11 the participants, an analysis of the success of the program in meeting the  
12 purpose of the program and any other information deemed appropriate  
13 by the treasurer.

14 (j) The provisions of this section shall be part of and supplemental to  
15 the Kansas postsecondary education savings program.

16 Sec. 2. K.S.A. 2008 Supp. 75-650 is hereby repealed.

17 Sec. 3. This act shall take effect and be in force from and after its  
18 publication in the Kansas register.