Approved: 3-7-94

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Duane Goossen at 3:30 p.m. on February 24, 1994 in Room 519-S of the Capitol.

All members were present.

Committee staff present: Ben Barrett, Legislative Research Department

Dale Dennis, Deputy Commissioner, Department of Education

Avis Swartzman, Revisor of Statutes Lois Thompson, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

Representative Reardon moved and Representative Tomlinson seconded motion to pass favorably **HB 2900** relating to negotiations between boards of education and support service employees. Motion carried.

Representative Empson, Chair of the subcommittee on community colleges, reported on recommendations of the subcommittee <u>.(Attachments 1-4).</u>

Representative Empson moved to incorporate to **HB 2567** the recommendations of the subcommittee. Representative Samuelson seconded the motion.

Representative Lane offered a substitute motion. Motion died for lack of a second.

Motion to adopt subcommittee recommendation carried.

Representative McKechnie moved and Representative Empson seconded motion to pass HB 2567 bill favorably. Motion carried. For the record, Representative Lane voted "no."

Representative Smith moved and Representative Wilk seconded the motion to pass HB 2754 favorably.

Representative Empson moved to table. Representative Pettey seconded motion to table. Motion carried with 14 votes in favor.

Meeting adjourned at 4:00 p.m.

The next meeting of the House Education Committee will be at the call of the chair, Thursday, March 3, 1994 at 3:30 p.m. in Room 519-S.

GUEST LIST

Committee: Education	·	Date: 3-7-94
NAME: (Please print)	Address:	Company/Organization:
Carolyn Lafever	Overland Park	KNEA
Shannon Thimmesch	Overland Park	KNEA
SueStorm	Overland Park	KNEA
Row Winner	DLAThe	USDZZZ
LOWELL MARTINIE	OCATHE	USD 233
ALAN COBB	TOBEKA	KAAYTS
Susan Chase	Japaka	KNEA
Come Huelall	Topeka	SLBJ JdQ
Diane Gjerstad	Wichitas	
ERIC SEXTON	WichitA	Wichter State
alan Steppet	Topela	PETEMCGIII ON ASSOC,
Mark Tallman	Topiker	12A513
Ana VA Farland	Overland Park	OP Chamber
Heriese apt	Tople	KACC
Jerry & Tranklin	hansas City Ks.	USD# 500
Marka Strehm	Baketha"	CUA of the
Kin Boler	Topela	4th Farollust US 1/3
SHELBY Smith	Wieldo	KAGE
Ed Ceral Cours	tapela	Werhlund-
any Lopey	Lawrence	Intern for Rep. Phill Klins
Kelly Lances	Laurenco	Inten

Subcommittee Recommended Amendments to House Bill No. 2567

- Bracket 1 Increases student tuition rates by \$1.00.
- Bracket 2 Decreases credit hour state aid rate by \$2.00. (The current rate is \$28.00)
- Bracket 3 -Decreases out-district state aid rate by \$2.00. Reimposes 64/72 credit hour limitation on students for whom out-district state aid is payable.
- Bracket 4 -Changes designation of "state community college finance fund" to "state postsecondary education finance fund". Includes Washburn U. as a beneficiary of moneys in the fund.
- Limits county tax levy authority to the 1994 and Bracket 5 -1995 taxable years.
- Bracket 6 Includes Washburn U. as a beneficiary of the required county tax levy.
- Bracket 7 - Provides for disposition of Shawnee county tax levy. The portion of the tax attributable to city of Topeka (Washburn's taxing district) is paid to the university. Remainder is deposited in the state postsecondary education finance fund.
- Pages 2, Sections 22 through 25 eliminate out-district 3, 4 tuition payments to Washburn U. and substitutes out-district state aid at \$24 per credit hour (the current out-district tuition rate).
- Bracket 8 -Technical changes to remainder of bill for implementation of recommendations.
- Bracket 9 -Technical changes to title of bill for implementation of recommendations.

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ATTachment

H.B. 2567

COMPARISON: MAIN PROVISIONS OF THE BILL AS INTRODUCED AND AS PROPOSED BY HOUSE EDUCATION SUBCOMMITTEE

		Present Law	H.B. 2567 As Introduced	Subcommittee Recommendation		
1.	Student Tuition (credit hour rate)					
	• Resident	minimum \$19; maximum \$27	minimum only, no maximum FY 1995 \$23 FY 1996 \$25 FY 1997 and thereafter \$27	minimum only, no maximum FY 1995 \$24 FY 1996 \$26 FY 1997 and thereafter \$28		
	Nonresident	minimum \$67.50 per credit hour	minimum: FY 1995 \$70 FY 1996 \$72.50 FY 1997 and thereafter \$75	FY 1995 \$71 FY 1996 \$73.50 FY 1997 and thereafter \$76		
2.	Outdistrict Tuition (credit hour)	counties pay community colleges at \$24 for residents attending community college in another county	outdistrict tuition elimi- outdistrict tuition eliminat nated			
3.	Community College Credit Hour State Aid	\$28 for academic hours \$42/\$56 for vocational hours (higher rate where community college is designated as an area vocational school)	\$30 for academic hours \$60 for vocational hours	\$28 for academic hours \$56 for vocational hours		
4.	Outdistrict State Aid (credit hours)	\$24 subject to 64/72 hour cap for academic enrollments (community colleges only)	\$50 64/72 hour cap removed (community colleges only)	\$48 for community colleges subject to 64/72 hour cap for academic enrollments \$24 for Washburn University subject to 64/72 hour cap		
5.	Statewide Uniform Mill Rate	None	1.5 mills imposed by county: proceeds to the state for community college aid, except in 18 community college counties where proceeds go to the community college general fund	1.5 mill imposed by county: proceeds to the state for community college and Washburn aid, except in 18 community college counties where proceeds go to the community college general fund and in Shawnee County where proceeds from the Washburn University taxing district go to Washburn Teb. 24, 1994 Attach ment 2		

FISCAL 1995 COMPARISON

	Governor's Recommendation		ll Funding of Present Law	H.B. 2567	H.B. 2567 Subcommittee Version	
Credit Hour State Aid	\$ 37,979,351	\$	39,415,460	\$ 46,660,740	\$	43,550,024
Outdistrict State Aid Community Colleges Washburn TOTAL	\$ 11,875,807 49,855,158	\$	12,218,976 51,634,436	26,256,200 \$ 72,916,940	\$	24,437,952 543,789 68,531,765
Increase over Governor FY 1995	NA	\$	1,779,278	\$ 23,061,782 ^G	\$	18,676,607 (3
Less Outdistrict Tuition Replacement Revenue	 NA		NA	-12,218,976		-12,762,765
Net Increase to Schools	NA	\$	1,779,278	\$ 10,842,806	\$	5,913,842

1. Outdistrict tuition budgeted for FY 1994.

2. In FY 1995, about \$9.2 million would be produced from the 1.5 mill levy to meet the state aid requirement, thus leaving the Task Force plan \$13.9 million above the Governor's recommendation from current resources. An estimated \$14.2 million would be received by the state from the 1.5 mill levy in FY 1996.

3.	In FY 1995, about \$8.7 million would be produced from the 1.5 mill levy to meet the state aid requirement, thus leaving the
	Subcommittee plan \$10.0 million above the Governor's recommendation from current resources. An estimated \$13.4 million would
	be received by the state from the 1.5 mill levy in FY 1996.

Prepared at the request of the House Education Subcommittee on H.B. 2567:

Representative Cindy Empson, Chair Representative Ellen Samuelson Representative Ed McKechnie

Kansas Legislative Research Department

February 23, 1994

94-0008813.01/BFB

On page 5, in line 43, by striking "\$23" and inserting "\$24";
On page 6, in line 1, by striking "\$25" and inserting "\$26";
in line 2, by striking "\$27" and inserting "\$28"; in line 7, by striking "\$70" and inserting "\$71"; in line 9, by striking "\$72.50" and inserting "\$73.50"; in line 10, by striking "\$75" and inserting "\$76";

On page 9, in line 31, by striking "Thirty" and inserting "Twenty-eight";

On page 12, in line 24, by striking "\$50" and inserting "\$48"; in line 35, after "thereto", by inserting ", and if such students have not more than 64 credit hours from any institution of postsecondary education or the students have not more than 72 credit hours and are enrolled in terminal type nursing courses or freshman-sophomore level preengineering courses. The credit hour limitations prescribed by this subsection do not apply to credit hours of out-district students if such students, as determined by the state board, are enrolled in an approved vocational education program at a community college for the purpose of receiving vocational or technical training or retraining in preparation for gainful employment";

On page 17, in line 5, by striking "com-"; in line 6, by striking "munity college" and inserting "postsecondary education"; in line 9, by striking "community college" and inserting "postsecondary education"; in line 10, after "college", by inserting "and municipal university"; in line 15, by striking "community college" and inserting "postsecondary education"; in line 16, after "colleges", by inserting "and the municipal 17, before "state", by inserting university"; in line "out-district"; in line 18, by striking "each year" and inserting "the 1994 and 1995 taxable years,"; in line 19, after by inserting a comma; in line 21, after "colleges", by inserting "and the municipal university"; in line 24, after "colleges", by inserting "and municipal university"; in line 26, after "college", by inserting "or a municipal university"; in line by striking "community"; in line 31, by striking "college" and

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'serting "postsecondary education"; in line 32, by striking financing the operation" and inserting "payment of a portion of out-district state aid entitlements"; also in line 32, after "colleges", by inserting "and the municipal university";

On page 18, following line 4, by inserting a new subsection and four new sections as follows:

- "(d) The county treasurer of the county in which there is located a municipal university shall pay to the treasurer of the municipal university the amount of that portion of the proceeds of the tax levy provided for in this section that is attributable to the property located in the taxing district of the municipal university and shall make the remainder of the proceeds of the tax levy available to the state treasurer immediately upon collection. When made available, the state treasurer shall withdraw such proceeds from such county and shall deposit the same in the state treasury to the credit of the state postsecondary education finance fund to be appropriated by the legislature as needed for payment of a portion of out-district state aid entitlements of community colleges and the municipal university. The portion of the tax levy proceeds provided by this subsection to be paid to the treasurer of the municipal university shall be paid in the manner and at the times provided by law for the payment of the proceeds of taxes levied by the municipal university. Upon receipt of such tax levy proceeds, the treasurer of the municipal university shall credit the entire amount thereof to the general fund of the university.
- Sec. 22. K.S.A. 13-13a25 is hereby amended to read as follows: 13-13a25. As used in K-S-A--13-13a25-through-13-13a34 this act:
- (a) "Board-of-levy"-means-the-board-of-county--commissioners of--every--county--in--which--there--is--not--located-a-municipal university-and-the-township-trusteey-township-clerk-and--township treasurery--acting--as--a--boardy--of-every-township-within-every county-in-which-there-is-located-a-municipal-university.
- (b) "Municipal university" means a municipal university established under the provisions of article 13a of chapter 13 of Kansas Statutes Annotated.

- (c) (b) "Municipal university district" means the taxing uistrict of a municipal university.
- (d)--"Taxing-subdivision"-means-every-county-in--which--there
 is--not--located-a-municipal-university-and-every-township-within
 every-county-in-which-there-is-located-a-municipal-university
 - tet (c) "State board" means the state board of education.
- Sec. 23. K.S.A. 13-13a27 is hereby amended to read as follows: 13-13a27. (a) A municipal university is entitled to receive out-district state aid. The basis for payments of out-district state aid shall be \$24 for each credit hour of each duly enrolled out-district student.
- (b) Out-district twition state aid shall be based only upon enrollments of students who: (1) Are residents of the state of Kansas; (2) are nonresidents of the municipal university district; and (3) have not more than 64 credit hours from any institution of postsecondary education or not more than 72 credit hours if enrolled in terminal type nursing courses or freshman-sophomore level preengineering courses.
- (c) (1) For the purpose of determination of out-district twition state aid: (1) (A) Persons enrolling in a municipal university who, if adults, have not been, or if minors, whose parents have not been, residents of the state of Kansas for six months prior to enrollment for any term or session are nonresidents of the state of Kansas; and (2) (B) persons enrolling in a municipal university who, if adults, have not been, or if minors, whose parents have not been, residents of the municipal university district for six months prior to enrollment for any term or session are nonresidents of the municipal university district.
- (b) (2) For the purpose of determining residence of persons, the residence of minors shall be determined as provided in K.S.A. 72-1046, and amendments thereto, and of adults as provided in subpart twenty-third of K.S.A. 77-201 and amendments thereto.
- (e) (3) The state board of education may adopt rules and regulations prescribing criteria or guidelines for determination of residence of students and shall make conclusive determination of any residence matter for the purpose of determination of

ability--of--taxing-subdivisions-for out-district tuition state

Sec. 24. K.S.A. 13-13a28 is hereby amended to read as follows: 13-13a28. (a)-(1)-Subject-to-the-other-provisions-of this-section,—a-municipal-university-shall-be-entitled-to-receive out-district-state-aid-payments-in-amounts-determined-as-provided in-this-section.—From-reports-and-information-provided-by-the municipal-university,—and-from-such-additional-audits---and investigations--as-are-conducted-by-the-state-department-of education,—the-state-board-shall-determine-the-amount--of out-district-tuition-a-municipal-university-is-entitled-to-bill to-taxing-subdivisions-each-year,—and-the-entitlement---to out-district-state-aid-of-the-municipal-university-shall-be-an amount-equal-thereto-plus--an-amount--equal--to--the-amount--of out-district-tuition-disallowed-under-the-provisions-of-K-S-A-t3-13a31,—and-amendments-thereof-

(b) No out-district state aid entitlement shall be based upon credit hours in any subject, course or program the principal part of which is instruction at a location outside of the municipal university district, unless the location of such subject, course or program is specifically authorized by the state board of education.

Sec. 25. K.S.A. 13-13a34 is hereby amended to read as follows: 13-13a34. No out-district twition-charged-by-a-municipal university state aid entitlement shall be based upon credit hours of out-district students who are enrolled in any course or program which is taught in an area vocational-technical school under an agreement with the municipal university and for which payments of state or federal moneys are made to the area vocational-technical school under the provisions of article 44 of chapter 72 of Kansas Statutes Annotated.";

By renumbering sections 22 through 25 as sections 26 through 29;

On page 19, in line 19, by striking all after "(16)"; by striking all of lines 20 through 23; in line 24, by striking "(17)"; in line 29, by striking "(18)" and inserting "(17)"; in line 34, by striking "(19)" and inserting "(18)"; in line 38, by

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riking "(20)" and inserting "(19)"; in line 40, by striking (21)" and inserting "(20)"; in line 43, by striking "(22)" and inserting "(21)";

On page 20, in line 9, by striking "(23)" and inserting "(22)"; in line 11, by striking "(24)" and inserting "(23)"; in line 13, by striking "(25)" and inserting "(24)"; following line 14, by inserting a new paragraph as follows:

"(25) Counties may not exempt from or effect changes in subsection (b) of K.S.A. 19-202, and amendments thereto.";

Also on page 20, in line 41, after the semicolon, by inserting "or";

On page 21, in line 2, by striking "; or" and inserting a period; by striking all of lines 3 through 7; in line 24, after "K.S.A.", by inserting "13-13a25, 13-13a26, 13-13a27, 13-13a28, 13-13a31, 13-13a32, 13-13a33, 13-13a34,"; in line 27, after "19-10la,", by inserting "19-10lh,";

In the title, in line 8, by striking "community colleges" and inserting "postsecondary education"; also in line 8, by striking "affecting" and inserting "relating to"; in line 9, after "ments", by inserting "of community colleges and the municipal university"; in line 10, by striking "community college" and inserting "postsecondary education"; in line 11, after "K.S.A.", by inserting "13-13a25, 13-13a27, 13-13a28, 13-13a34,"; in line 15, after "K.S.A.", by inserting "13-13a26, 13-13a31, 13-13a32, 13-13a33,"; also in line 15, after "71-1705", by inserting "and K.S.A. 1993 Supp. 19-101h";

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Proposed Amendment to House Bill No. 2567

On page 1, by striking all of lines 18 through 43;

On page 2, by striking all of lines 1 through 43;

On page 3, by striking all of lines 1 through 43;

On page 4, by striking all of lines 1 through 43;

On page 5, by striking all of lines 1 through 37; in line 38, by striking "Sec. 3." and inserting "Section 1."; in line 39, before "Except", by inserting "(1)"; in line 40, by striking "section" and inserting "subsection"; in line 43, by striking "\$23" and inserting "\$24";

On page 6, in line 1, by striking "\$25" and inserting "\$26"; in line 2, by striking "\$27" and inserting "\$28"; in line 3, by striking "(b)" and inserting "(2)"; in line 7, by striking "\$70" and inserting "\$71"; in line 9, by striking "\$72.50" and inserting "\$73.50"; in line 10, by striking "\$75" and inserting "\$76"; in line 11, by striking "(c)" and inserting "(3)"; in line 16, by striking "(d)" and inserting "(4)";

On page 7, following line 40, by inserting 5 new subsections as follows:

"(b) The board of trustees, in accordance with rules and regulations of the state board, shall determine an amount of out-district tuition to be charged for each out-district student attending the community college. The board of county commissioners of any county charged with payment of out-district tuition shall levy a tax on all of the taxable property of the county sufficient to pay all out-district tuition charges authorized by this act. The proceeds from the tax levied under authority of this section shall be deposited in a special fund for payment of out-district tuition. Upon receiving a statement of charges for out-district tuition, the board of county commissioners shall allow and pay the same from the special fund within 45 days from the receipt of such statement. If there is

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insufficient or no money in the special fund, out-district tuition shall be paid from the county general fund or from the proceeds of the sale of no-fund warrants issued for the purpose of the payment of out-district tuition. If the board of county commissioners fails to pay such amount at the time required under this subsection, the board of trustees shall notify the state board of such failure to pay and shall certify to the state board the amount to be paid. Upon receipt by the state board of such notification, the amount to be paid as certified to the state board shall become an amount due and owing to the state board. The state board shall notify the board of county commissioners that this amount is now due and owing to the state board. If the board of county commissioners fails to pay such amount to the state board within 14 days of the receipt of such notification, the state board shall initiate proceedings under K.S.A. 75-6201 et seq. for the collection of such money. Money paid to or collected by the state board under this subsection shall be deposited in the out-district tuition suspense account which is hereby created in the state treasury. The state board shall pay moneys from this account, in accordance with rules regulations of the state board, to the community colleges entitled to receive such money.

- (c) The total out-district tuition charged by a community college shall be an amount equal to the number of duly enrolled out-district students times \$24 for each credit hour of each such student.
- (d) (1) Out-district tuition shall only be charged for credit hours of out-district students if such students, as determined by the state board, have not more than 64 credit hours from any institution of postsecondary education or the students have not more than 72 credit hours and are enrolled in terminal type nursing courses or freshman-sophomore level preengineering courses.
- (2) The credit hour limitations prescribed by provision (1) of this subsection do not apply to credit hours of out-district students if such students, as determined by the state board, are

enrolled in an approved vocational education program at a community college for the purpose of receiving vocational or technical training or retraining in preparation for gainful employment.

- (e) In May of each fiscal year, the board of trustees shall notify the board of county commissioners of the approximate amount of out-district tuition which will be charged to the county in the succeeding fiscal year.
- (f) Expenditures for out-district tuition shall be exempt from the budget law of this state to the extent of such payments not anticipated in the budget of the county.";

Also on page 7, by striking all of lines 41 through 43;

On page 8, by striking all of lines 1 through 43;

On page 9, by striking all of lines 1 through 24;

By renumbering section 7 as section 2;

On page 10, by striking all of lines 13 through 43;

On pages 11 through 20, by striking all of lines 1 through 43, respectively;

On page 21, by striking all of lines 1 through 28; following line 28, by inserting a new section as follows:

"Sec. 3. K.S.A. 71-602 and K.S.A. 1993 Supp. 71-301 are hereby repealed.";

By renumbering section 25 as section 4;

In the title, in line 8, after "affecting", by inserting "student tuition rates and credit hour"; in line 9, by striking all after the semicolon; by striking all of line 10; in line 11, by striking "fund;"; also in line 11, by striking all after "K.S.A."; by striking all of lines 12, 13, and 14; in line 15, by striking all before the period and inserting "71-602 and K.S.A. 1993 Supp. 71-301 and repealing the existing sections";