DIA

Approved: March 23, 1998

MINUTES OF THE HOUSE SELECT COMMITTEE ON HIGHER EDUCATION.

The meeting was called to order by Chairperson David Adkins at 5:00 p.m. on March 10, 1998 in Room 519-S of the Capitol.

All members were present except Representatives Helgerson and Kejr who were on excused absence.

Committee staff present: Carolyn Rampey, Legislative Research Department

Leah Robinson, Legislative Research Department Alan Conroy, Legislative Research Department

Avis Swartzman, Revisor of Statutes Jim Wilson, Revisor of Statutes Leona Fultz, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

The committee continued discussion and deliberations of substitute for HB 2793. The Revisor of Statutes office distributed copies of HCR 5049 (Attachment 1) and Sub. for HB 2793 (Attachment 2).

After discussion Representative McKechnie moved we adopt balloon amendments. Representative Farmer seconded the motion. Motion unanimously adopted. Representative Farmer moved the committee accept substitute for HB 2793 as amended. Representative McKechnie seconded the motion. Motion unanimously adopted.

Representative McKechnie moved that HCR 5049 be passed. Representative Weber seconded the motion. Motion unanimously adopted.

Representative Adkins then thanked the staff, Board of Education, Board of Regents and the media for all of the help the committee has received during the meetings for the Select Committee on Higher Education. No further meetings are planned at this time.

SELECT COMMITTEE ON HIGHER EDUCATION COMMITTEE GUEST LIST

DATE: March 10 1998

NAME	REPRESENTING	
Milonatto	PSU	
Doe Birmingham	KSDE	
Craig Gradt	HWEA	
David & Monical	Washbur	
lin Sele	WSU	
STEER REAREY	KAAU75	
Ray Hauke	Staff Ks Board of Regards	
Stephen Jordan	KBOR	

Session of 1998

House Concurrent Resolution No. 5049

By Select Committee on Higher Education

3-5

9 A PROPOSITION to amend sections 2, 3, 6 and 7 of article 6 of the constitution of the state of Kansas, relating to education.

Be it resolved by the Legislature of the State of Kansas, two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate concurring therein:

Section 1. The following proposition to amend the constitution of the state of Kansas shall be submitted to the qualified electors of the state for their approval or rejection: Sections 2, 3, 6 and 7 of article 6 of the constitution of the state of Kansas are hereby amended to read as follows:

- "§ 2. State board of education and state board of regents Kansas council on higher education. (a) The legislature shall provide for a state board of education which shall have general supervision of public schools, educational institutions and all the educational interests of the state, except educational functions delegated by law to the state board of regents Kansas council on higher education. The state board of education shall perform such other duties as may be provided by law.
- (b) The legislature shall provide for a state board of regents Kansas council on higher education and for its control and supervision or coordination of public institutions of higher education. Public institutions of higher education shall include universities and colleges granting baccalaureate or postbaccalaureate degrees and such other institutions and educational interests as may be provided by law. The state board of regents Kansas council on higher education shall perform such other duties as may be prescribed by law.
- (c) Any municipal university shall be operated, supervised and controlled as provided by law.
- § 3. Members of state board of education and state board of regents Kansas council on higher education. (a) There shall be ten members of the state board of education with overlapping terms as the legislature may prescribe. The legislature shall make provision for ten member districts, each comprised of four contiguous senatorial districts. The electors of each member district shall elect

Select Higher Education march 10, 1998 Attachment 1

1

3 4 5

20

25

42

43

36

one person residing in the district as a member of the board. The legislature shall prescribe the manner in which vacancies occurring on the board shall be filled. Subsequent redistricting shall not disqualify any member of the board from service for the remainder of the member's term.

- (b) The state board of regents Kansas council on higher education shall have nine 11 members with overlapping terms as the legislature may prescribe. Members shall be appointed by the governor as provided by law, subject to confirmation by the senate. One member shall be appointed from each congressional district with the remaining members appointed at large, however, no two members shall reside in the same county at the time of their appointment. Vacancies occurring on the board council shall be filled by appointment by the governor as provided by law. The terms of office of members appointed to the council shall be prescribed by the legislature, but no such term of office shall be longer than six years.
- (c) Subsequent redistricting shall not disqualify any member of either board from service for the remainder of his term. Any member of either the board or the council may be removed from office for cause as may be provided by law.
- § 6. Finance. (a) The legislature may levy a permanent tax for the use and benefit of state institutions of higher education and apportion among and appropriate the same to the several institutions, which levy, apportionment and appropriation shall continue until changed by statute. Further appropriation and other provision for finance of institutions of higher education may be made by the legislature.
- (b) The legislature shall make suitable provision for finance of the educational interests of the state. No tuition shall be charged for attendance at any public school to pupils required by law to attend such school, except such fees or supplemental charges as may be authorized by law. The legislature may authorize the state board of regents Kansas council on higher education to establish tuition, fees and charges at institutions under its control and supervision.
- (c) No religious sect or sects shall control any part of the public educational funds.
- § 7. Savings and transition clause. (a) All laws in force at the time of the adoption of this amendment and consistent therewith shall remain in full force and effect until amended or repealed by the legislature. All laws inconsistent with this amendment, unless sooner repealed or amended to conform with this amendment, shall

. /-2

1

3 4 5

6 7

17

22

23

28

37 38 39 remain in full force and effect until July 1, 1969.

- (b) Notwithstanding any other provision of the constitution to the contrary, no state superintendent of public instruction or county superintendent of public instruction shall be elected after January 1, 1967.
- (e) The state perpetual school fund or any part thereof may be managed and invested as provided by law or all or any part thereof may be appropriated, both as to principal and income, to the support of the public schools supervised by the state board of education. The legislature shall provide for the transition of authority from the state board of regents to the Kansas council on higher education on or before July 1, 2000."
- Sec. 2. The following statement shall be printed on the ballot with the amendment as a whole:

"Explanatory statement. This amendment would require the legislature to provide for a Kansas council on higher education and to provide for the council's control and supervision or coordination of public institutions of higher education by July 1, 2000. The council would have 11 members appointed by the governor subject to confirmation by the senate. Members would have overlapping terms of office of up to six years, as provided by law.

"A vote for this proposition would require the legislature to provide for a Kansas council on higher education which would control and supervise or coordinate public institutions of higher education by July 1, 2000, and would remove the requirement for a state board of regents.

"A vote against this proposition would retain the requirement for a state board of regents and for its control and supervision of state universities and would provide for the general supervision of community colleges, technical colleges and vocational education schools to remain with the state board of education."

Sec. 3. This resolution, if approved by two-thirds of the members elected (or appointed) and qualified to the House of Representatives and two-thirds of the members elected (or appointed) and qualified to the Senate, shall be entered on the journals, together with the yeas and nays. The secretary of state shall cause this resolution to be published as provided by law and shall cause the proposed amendment to be submitted to the electors of the state at the general election to be held on November 3, 1998.



Session of 1998

Substitute for House Bill No. 2793

By Select Committee on Higher Education

3-6

AN ACT concerning postsecondary education; establishing the Kansas council on higher education; educational coordinating commission; joint committee on postsecondary education; prescribing powers, duties, functions and guidelines; providing funding; establishing Washburn university as a state educational institution under the control and supervision of the council; making and concerning appropriations for the fiscal years ending June 30, 1999, June 30, 2000, June 30, 2001, and June 30, 2002; amending K.S.A. 12-16,102, 71-204, 71-501, 71-601, 71-604, 71-605, 71-609a, 71-610, 71-613, 71-801, 71-1508, 71-1702, 79-5021, 79-5022, 79-5024, 79-5025, 79-5026, 79-5028 and 79-5032 and K.S.A. 1997 Supp. 19-101a, 71-201, 71-301, 71-401, 71-602, 71-607, 71-609, 71-611, 71-613a and 74-4925 and repealing the existing sections; also repealing K.S.A. 13-13a25, 13-13a26, 13-13a27, 13-13a28, 13-13a29, 13-13a30, 13-13a31, 13-13a32, 13-13a33, 13-13a34, 46-1208a, 46-1208b, 71-304, 71-305, 71-306, 71-403 and 72-4424 and K.S.A. 1997 Supp. 71-619.

10 11

12

13

14

15

16

17

18

19 20

21

22

23

24

25

26 27

28

29

30

31

32

33

34

36 37

38

39

40

41

42

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

New Section 1. (a) This act shall be known and may be cited as the Kansas higher education governance and coordination act.

(b) The purpose of this act is to provide for the general improvement of postsecondary education in the state of Kansas and to establish the Kansas council on higher education to provide leadership, governance and coordination for postsecondary educational institutions so that enhanced accessibility, quality, excellence, accountability, research and service may be achieved in the postsecondary educational system for Kansans through the efficient and effective utilization and concentration of all available resources and the elimination of costly and undesirable duplication in program and course offerings, faculties and physical facilities at postsecondary educational institutions.

New Sec. 2. As used in the Kansas higher education governance and coordination act,

(a) "State council" means the Kansas council on higher education provided for in the constitution of this state and established by section 3,

Select Higher Education march 10, 1998 attachment 2

7

10

11

12

14

15

17

18

19

20

32

33

35

37

1

+2

43

11

13

14

17

19

20

21

26

27

28

30

and amendments thereto.

(b) "State board of regents" means the state board of regents established by K.S.A. 74-3201, and amendments thereto.

(c) "State educational institution" means any state educational institution, as defined by K.S.A. 76-711, and amendments thereto, and Washburn university.

- (d) "Community college" means any community college established under the laws of this state.
- (e) "Technical college" means any technical college established under K.S.A. 72-4468, and amendments thereto.

(f) "Vocational school" means any area vocational school or area vocational-technical school established under the laws of this state and approved and officially designated as such by the state board of education.

(g) "Postsecondary educational institution" means any state educational institution, community college, technical college, and any vocational school and includes any entity resulting from the consolidation or affiliation of any two or more of such postsecondary educational institutions.

New Sec. 3. (a) There is hereby established the Kansas council on higher education. The state council shall be composed of 11 members appointed by the governor, subject to confirmation by the senate as provided in K.S.A. 75-4315b, and amendments thereto. Except as provided by K.S.A. 1997 Supp. 46-2601, and amendments thereto, no person appointed to the state council shall exercise any power, duty or function as a member of the state council until confirmed by the senate. Each member shall hold office for a term of six years, except as provided for the first members appointed to the state council, and until a successor is appointed and confirmed. Terms of members shall expire on January 15. No person shall serve more than two terms of office as a member of the state council, except that this limitation shall not include the first term of office of any person appointed and qualified as a member of the initial state council in accordance with subsection (b)(2).

(b) (1) One member of the state council shall be a resident of each congressional district with the remaining members appointed from among all residents of Kansas, except that no two members shall reside in the same county at the time of their appointment unless each county in the congressional district has a member residing in the county at the time of their appointment. Subsequent redistricting of congressional districts shall not disqualify any member of the state council from service for the remainder of the member's term of office. At no time shall more than six members of the state council be members of the same political party.

(2) In addition to and subject to the other provisions of this section,

the first appointed members of the state council shall be appointed by the governor on or before February 1, 1999, in accordance with the following:

(A) From among a list of nominations of not less that 10 nominees which shall be submitted to the governor by the state board of regents on or before January 1, 1999, the governor shall appoint two members who shall have a term of office of six years and three members who shall have a term of office of three years;

(B) from among a list of nominations of not less that four nominees which shall be submitted to the governor by the state board of education on or before January 1, 1999, the governor shall appoint one member who shall have a term of office of six years and one member who shall have a term of office of three years;

(C) from among a list of nominations of not less that four nominees which shall be submitted to the governor by the Kansas association of community college trustees on or before January 1, 1999, the governor shall appoint one member who shall have a term of office of six years and one member who shall have a term of office of three years;

(D) from among a list of nominations of not less that two nominees which shall be submitted to the governor by the Kansas association of area vo-tech schools on or before January 1, 1999, the governor shall appoint one member who shall have a term of office of six years;

(E) from among a list of nominations of not less that two nominees which shall be submitted to the governor by the board of regents of Washburn university on or before January 1, 1999, the governor shall appoint one member who shall have a term of office of three years; and

(F) no person who is an elected official or an officer or employee of any postsecondary educational institution shall be nominated for appointment under this subsection (b)(2).

(c) The members of the Kansas council on higher education shall meet and organize annually by electing one member as chairperson, except that the governor shall designate the first chairperson of the state council from among the first members appointed to the state council.

(d) Members of the Kansas council on higher education attending meetings of the state council, or attending a subcommittee meeting thereof authorized by the state council, shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3212, and amendments thereto, for members of the legislature.

New Sec. 4. The state council shall meet at least quarterly each year in Topeka on dates fixed by the state council. Special meetings may be held upon the call of the chairperson or upon the petition to the chief executive officer of the state council by six members of the council, the date and place of all special meetings to be designated in the call. Six

n I

8

11

12

14

15

16

18

19

24

25

36

37

stitution.

1

10

11

13

14

15

16

17

19

20

21

22

23

25

26

28

29

31

32

33

37

38

41

members of the state council shall constitute a quorum for the transaction of business but less than six members may adjourn any regular or special meeting to a definite time and place.

New Sec. 5. (a) In the exercise of its leadership role, the Kansas council on higher education shall be an advocate for the provision of adequate resources and sufficient authority for all postsecondary educational institutions so that each postsecondary educational institution can realize, within its prescribed role and scope, its full potential to the benefit of the students who attend such postsecondary educational institution and to the benefit of all Kansans in terms of receiving the benefits of a highly educated and vocationally trained populace.

(b) In addition to other duties and functions prescribed by statute, the state council shall advise and consult with the joint committee on postsecondary education and shall prepare and present an annual strategic planning report to the joint committee on postsecondary education.

New Sec. 6. (a) The Kansas council on higher education shall appoint a chief executive officer who shall act as the executive officer for the state council. The chief executive officer of the state council shall be in the unclassified service under the Kansas civil service act, shall serve at the pleasure of the state council and shall receive a salary fixed by the state council, subject to approval by the governor. The chief executive officer shall attend all meetings of the state council, keep a full and correct record of its proceedings as approved by the state council and shall perform such other duties and functions as the state council may prescribe.

(b) There are hereby established the division of governance and the division of coordination under the supervision of the state council. Each such division shall perform duties and functions regarding governance and coordination of postsecondary educational institutions, respectively, in accordance with the provisions of this act. As authorized by the state council, the chief executive officer shall appoint such other officers and employees as may be required for such divisions and to assist in performing such duties and functions.

New Sec. 7. (a) On and after July 1, 2000, the Kansas council on higher education shall control and supervise the operation and management of all state educational institutions in accordance with the provisions of this act. The budget estimate for each state educational institution for each fiscal year commencing after June 30, 2000, shall be subject to review, modification and approval by the Kansas council on higher education prior to being submitted to the division of the budget for review by the governor and the legislature as provided by statute.

(b) On and after July 1, 2000, the state council shall have authority to appoint the chief executive officers, establish personnel policies, set fees and tuition and approve the missions for each state educational in-

New Sec. 8. (a) On and after July 1, 2000, the Kansas council on higher education shall coordinate all postsecondary education activities of all postsecondary educational institutions, in accordance with the provisions of this act. On and after July 1, 2000, all postsecondary education activities of state educational institutions, community colleges, technical colleges, and vocational schools shall be subject to the policies and approval of the Kansas council on higher education that coordinate such activities in accordance with the provisions of this act. On and after July 1, 2000, the board of trustees or other governing board of each community college, technical college or vocational school, or of any entity resulting from the consolidation of any two or more community colleges, technical colleges or vocational schools, shall continue to govern each such community college, technical college, vocational school or such other entity as provided by statute.

(b) For the purposes of coordinating all postsecondary education activities of all postsecondary educational institutions on and after July 1, 2000, the state council is hereby authorized to and shall:

Develop comprehensive long range plans;

determine institutional roles and review institutional missions;

require the development of institutional master plans;

develop measurable performance indicators;

review and approve course offerings, course locations, programs and degrees;

(6) conduct ongoing program review;

(7) encourage and oversee cooperative postsecondary programs among postsecondary educational institutions;

(8) administer statewide student financial assistance programs;

develop and implement long range plans for the utilization of distance learning technologies;

(10) collect and maintain a uniform postsecondary education database; and

(11) recommend statewide postsecondary funding levels for all postsecondary educational institutions to the governor and the legislature, which shall include the budget estimates for the state educational institutions approved by the state council under subsection (a) of section 7, and amendments thereto.

New Sec. 9. The state council shall create advisory committees and appoint the members thereof when the state council determines that such advisory committees are needed to assist the state council in the performance of its duties and functions. Each such advisory committee shall advise and consult with and advise the state council with reference to the matters referred to the advisory committee. Members of any advisory

9

11

12

13

14

15

16

17

18

19

20

21

24

26

27

29

30

32

33

35

37

38

1

18

19

20

35

38

39

40

committee created under authority of this section attending meetings of such committee or attending a subcommittee meeting thereof authorized by such committee shall be paid subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto, but shall receive no compensation for services as such members. The council is authorized to make expenditures to provide space for holding meetings of advisory committees created under this section, including expenditures for official hospitality.

New Sec. 10. There is hereby established the educational coordinating commission which shall serve as a liaison committee between the Kansas council on higher education and the state board of education to ensure a seamless system of education. The educational coordinating commission shall be composed of three members of the state board of education selected by that board and three members of the Kansas council on higher education selected by the state council. The educational coordinating commission members shall serve two year terms and shall annually elect a chair of the commission. The educational coordinating commission shall establish its own rules and policies of operation and procedure.

New Sec. 11. (a) There is hereby created the joint committee on postsecondary education which shall be composed of five members of the senate and nine members of the house of representatives and shall be appointed in accordance with the following:

(1) The president of the senate shall appoint three of the senate members and the senate minority leader shall appoint two of the senate members;

(2) the speaker of the house of representatives shall appoint five of the representative members and the minority leader of the house of representatives shall appoint four of the representative members; and

- (3) any vacancy in the membership of the joint committee shall be filled by appointment in the manner prescribed for the original appointment.
- (b) All members of the joint committee on postsecondary education shall serve for terms of office ending on the first day of the regular session of the legislature in odd-numbered years. The joint committee shall organize annually and elect a chairperson and a vice-chairperson in accordance with this subsection. During calendar year 1999 and each odd-numbered year thereafter, the chairperson shall be one of the representative members of the joint committee and the vice-chairperson shall be one of the senate members of the joint committee. During calendar year 2000 and each even-numbered year thereafter, the chairperson shall be one of the senate members of the joint committee and the vice-chairperson shall be one of the representative members of the joint committee. The vice-

chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson. If a vacancy occurs in the office of chairperson or vice-chairperson, a member of the joint committee, who is a member of the same house as the member who vacated the office, shall be elected by the members of the joint committee to fill the vacancy.

(c) A quorum of the joint committee on postsecondary education shall be eight members. All actions of the joint committee shall be taken by a majority of all of the members of the joint committee. The joint committee on postsecondary education may meet at any time and at any place within the state on the call of the chairperson.

(d) The joint committee on postsecondary education is hereby authorized to exercise the powers of compulsory process in connection with any authorized subject of inquiry, study or investigation in accordance with the provisions of K.S.A. 46-1001 through 46-1017, and amendments thereto, and specifically including the authority to exercise such powers of compulsory process with respect to enforcing any request for information of the Kansas council of higher education, the educational coordinating commission, the department of education and any postsecondary educational institution.

(e) The joint committee on postsecondary education shall assist in the development and monitoring of performance measures for postsecondary educational institutions to ensure the fiscal and academic integrity of the postsecondary education system. The joint committee shall receive and review reports from the educational coordinating commission, and any advisory committees created by the Kansas council on higher education and an annual strategic planning report from the state council. The joint committee shall review the plans for public and private postsecondary education in Kansas, including vocational and technical education. The joint committee shall annually make a report and recommendations to the legislature and the governor and may cause the same to be published separately from other documents which are required by law to be submitted to the legislative coordinating council. The reports and recommendations of the joint committee shall include a review of the schedule for implementation of educational goals established by the Kansas council on higher education. The joint committee shall prepare a report to the legislature at the beginning of the regular session in 2000 on the feasibility of a virtual campus to provide educational access to programs offered by postsecondary educational institutions via technology.

(f) Upon request of the joint committee on postsecondary education, the state board of regents, Kansas council on higher education and the state board of education shall provide consultants to provide assistance to the joint committee from the faculties and staffs of institutions and agen-

4

11

13

14

15

16

17

26

27

31

34

36

39

apply to the state council.

11

13

16

17

18

24

26

30

31

32

33

34

35

36

37

39

40

41

42

cies under the respective control and jurisdiction thereof.

(g) The joint committee on postsecondary education may introduce such legislation as it deems necessary in performing its functions.

(h) The provisions of the acts contained in article 12 of chapter 46 of the Kansas Statutes Annotated, and amendments thereto, applicable to special committees shall apply to the joint committee on postsecondary education to the extent that the same do not conflict with the specific provisions of this act applicable to the joint committee.

New Sec. 12. On the effective date of this act, the following state agency and office shall be and hereby are abolished:

(a) The state board of regents required to be provided for by section 2 of article 6 of the constitution of this state prior to adoption by the electors of this state of the proposition to revise article 6 as provided in 1998 House Concurrent Resolution No. 5049; and

(b) the office of executive officer of the state board of regents provided to be appointed by K.S.A. 74-3203, and amendments thereto.

New Sec. 13. For the purpose of concluding operations, the state board of regents and the office of executive officer of the state board of regents abolished by this act shall continue in existence until June 30, 2000. During such period of existence and notwithstanding the abolition of the state board of regents and the office of executive officer of the state board of regents, such state agency and officer shall exercise all of the powers, duties and functions that were vested therein prior to abolition by this act. Upon the expiration of such period of existence, the state board of regents and the chief executive officer thereof shall cease all operations and shall have no further authority to act.

New Sec. 14. (a) On July 1, 2000, all of the powers, duties, functions, records and property of the state agency and office abolished by this act, including the power to administer, expend and distribute funds now or hereafter made available in accordance with appropriation acts, shall be and hereby are transferred to and conferred and imposed upon the state council. The state council shall be the successor in every way to the powers, duties and functions of the abolished state agency and office, in which the same were vested prior to July 1, 2000. The state council shall be a continuation of the abolished state agency and office, and every act performed under the authority of the state council shall be deemed to have the same force and effect as if performed by the respective agency or office in which the authority to perform such act was vested prior to July 1, 2000. (b) On and after July 1, 2000, whenever the state agency or office

abolished by this act are referred to or designated by a statute, contract

or other document, such reference or designation shall be deemed to

(c) All rules and regulations of the state board of regents in existence on June 30, 2000, shall continue to be effective and shall be deemed to be duly adopted rules and regulations of the state council until revised, amended, revoked or nullified pursuant to law.

(d) All policies, orders and directives of the state board of regents in existence on June 30, 2000, shall continue to be effective and shall be deemed to be orders and directives of the state council, until revised,

amended or nullified pursuant to law.

(e) On July 1, 2000, the state council shall succeed to whatever right, title or interest the state board of regents has acquired in any real property in this state, and the state council shall hold the same for and in the name of the state of Kansas. On and after July 1, 2000, whenever any statute, contract, deed or other document concerns the power or authority of the state board of regents to acquire, hold or dispose of real property or any interest therein, the state council shall succeed to such power or authority.

(f) The state council shall be a continuation of the state board of regents.

New Sec. 15. (a) The state council shall provide that all officers and employees of the state board of regents or the state board of education who are engaged in the exercise and performance of the powers, duties, and functions transferred by this act are transferred to the state council if the state council deems that the transfer of such officers and employees is necessary to the exercise and performance of such powers, duties and functions.

(b) Officers and employees of the state board of regents or the state board of education who are transferred to the state council shall retain all retirement benefits and leave rights which had accrued or vested prior to the date of transfer. The service of each such officer and employee so transferred shall be deemed to have been continuous. All transfers, layoffs and abolition of classified service positions under the Kansas civil service act which may result from transfers of powers, duties and functions shall be made in accordance with the civil service laws and any rules and regulations adopted thereunder. Nothing in this act shall affect the classified status of any transferred person employed by the state board of regents or the state board of education prior to the date of transfer. The state council shall be responsible for administering any layoff that is a part of the transfer. Notwithstanding the date of transfer of personnel from the state board of regents or the state board of education to the state council pursuant to the provisions of this act, the date of such transfer shall be effective at the start of a payroll period.

New Sec. 16. (a) When any conflict arises as to the disposition of any power, function or duty or the unexpended balance of any appropriation as a result of any abolition, transfer or change effected by or under au-

(b) On July 1, 2000, the state council shall succeed to all property and records which were used for or pertain to the performance of the powers, duties and functions transferred to the state council. Any conflict as to the proper disposition of property or records arising under this section, and resulting from any abolition or transfer of powers, duties and functions effected by or under authority of this act, shall be determined by the governor, whose decision shall be final.

New Sec. 17. (a) On and after July 1, 2000, the state council shall have the legal custody of all records, memoranda, writings, entries, prints, representations or combinations thereof of any act, transaction, occurrence or event of the state board of regents and the executive officer thereof.

(b) No suit, action or other proceeding, judicial or administrative, lawfully commenced, or which could have been commenced, by or against the state board of regents or the executive officer thereof in the official capacity of such board or officer or in relation to the discharge of official duties of such board or officer, shall abate by reason of the governmental reorganization effected under the provisions of this act. The court may allow any such suit, action or other proceeding to be maintained by or against the state council.

(c) No criminal action commenced or which could have been commenced by the state shall abate by reason of the governmental reorganization effected under the provisions of this act.

New Sec. 18. (a) On July 1, 2000, the balance of all funds appropriated and reappropriated to the state board of regents is hereby transferred to the state council and shall be used only for the purpose for which the appropriation was originally made.

(b) On July 1, 2000, the liability for all accrued compensation or salaries of officers and employees who, immediately prior to such date, were engaged in the performance of powers, duties or functions of the state board of regents shall be assumed and paid by the state council.

New Sec. 19. (a) On July 1, 2000, the community colleges established and existing under the laws of this state shall be and hereby are transferred from the supervision of the state board of education to coordination by the state council. The community colleges shall continue to be operated, managed and controlled by locally elected boards of trustees. The state council shall exercise such coordination of the operation, management and control of community colleges as may be prescribed by law.

(b) On July 1, 2000, all of the powers, duties, functions, records and property of the state board of education relating to community college operations shall be and are hereby transferred to and conferred and im-

posed upon the state council.

(c) On and after July 1, 2000, the state council shall be the successor in every way to the powers, duties and functions of the state board of education relating to community college operations in which the same were vested prior to the effective date of this act. Every act performed by the state council shall be deemed to have the same force and effect as if performed by the state board of education in which such functions were vested prior to July 1, 2000.

(d) On and after July 1, 2000, whenever the state board of education, or words of like effect, is referred to or designated by a statute, contract or other document relating to community college operations, such reference or designation shall be deemed to apply to the state council.

(e) The state plan for community colleges, prepared and adopted by the state board of education pursuant to the provisions of the Kansas community college act, which is in existence on July 1, 2000, shall continue to be effective and shall be deemed to be the duly adopted state plan of the state council until revised, amended, revoked or nullified pursuant to law.

(f) All rules and regulations, and all orders and directives of the state board of education relating to community college operations which are in existence on July 1, 2000, shall continue to be effective and shall be deemed to be the duly adopted rules and regulations or orders and directives of the state council until revised, amended, revoked or nullified pursuant to law.

(g) The unexpended balance of any appropriation for and any funds available to the state board of education for purposes relating to community college operations shall be transferred to the state council on July 1, 2000.

(h) On and after July 1, 2000, all books, records and papers of the board of trustees of each community college shall be open and available, at all reasonable times, to the state council and its designated officers, employees and agents.

(i) Except as otherwise specifically provided in this act, the transfer of supervision of the community colleges from the state board of education to coordination by the state council shall not be construed in any manner so as to change or affect the operation, management and control of any community college or to change or affect any existing power, duty or function of a board of trustees with respect to such operation, management and control.

New Sec. 20. (a) On July 1, 2000, the technical colleges, area vocational schools and area vocational-technical schools established and existing under the laws of this state shall be and hereby are transferred from the supervision of the state board of education to coordination by the

2-10

2-11

state council. The technical colleges, area vocational schools and area vocational-technical schools shall continue to be operated, managed and controlled by governing boards as provided for in article 44 of chapter 72 of Kansas Statutes Annotated. The state council shall exercise such coordination of the operation, management and control of technical colleges, area vocational schools and area vocational-technical schools as may be prescribed by law.

(b) On July 1, 2000, all of the powers, duties, functions, records and property of the state board of education relating to operations of technical colleges, area vocational schools and area vocational-technical schools shall be and are hereby transferred to and conferred and imposed upon the state council.

(c) On and after July 1, 2000, the state council shall be the successor in every way to the powers, duties and functions of the state board of education relating to operations of technical colleges, area vocational schools and area vocational-technical schools in which the same were vested prior to July 1, 2000. Every act performed by the state council shall be deemed to have the same force and effect as if performed by the state board of education in which such functions were vested prior to July 1, 2000.

(d) On and after July 1, 2000, whenever the state board of education, or words of like effect, is referred to or designated by a statute, contract or other document relating to operations of technical colleges, area vocational schools or area vocational-technical schools, such reference or designation shall be deemed to apply to the state council.

(e) The state plan for vocational education, prepared and adopted by the state board of education pursuant to the provisions of the K.S.A. 72-4413, and amendments thereto, which is in existence on July 1, 2000, shall continue to be effective and shall be deemed to be the duly adopted state plan of the state council until revised, amended, revoked or nullified pursuant to law.

(f) All rules and regulations, and all orders and directives of the state board of education relating to operations of technical colleges, area vocational schools and area vocational-technical schools which are in existence on July 1, 2000, shall continue to be effective and shall be deemed to be the duly adopted rules and regulations or orders and directives of the state council until revised, amended, revoked or nullified pursuant to law.

(g) The unexpended balance of any appropriation for and any funds available to the state board of education for purposes relating to operations of technical colleges, area vocational schools and area vocational-technical schools shall be transferred to the state council on July 1, 2000.

(h) On and after July 1, 2000, all books, records and papers of the

governing boards of technical colleges, area vocational schools and area vocational-technical schools shall be open and available, at all reasonable times, to the state council and its designated officers, employees and agents.

(i) Except as otherwise specifically provided in this act, the transfer of supervision of the technical colleges, area vocational schools and area vocational-technical schools from the state board of education to coordination by the state council shall not be construed in any manner so as to change or affect the operation, management and control of any technical college, area vocational school or area vocational-technical school or to change or affect any existing power, duty or function of the governing board of any technical college, area vocational school or area vocational-technical school with respect to such operation, management and control.

New Sec. 21. During the period of transition from general supervision by the state board of education of the community colleges, technical colleges, area vocational schools and area vocational-technical schools to coordination thereof by the state council and from control and supervision by the state board of regents of the state educational institutions to control and supervision thereof by the state council, the state board of education and the state board of regents shall provide such assistance as the state council may request in order to enable the state council to assume in an orderly manner the exercise of powers and the performance of duties and functions transferred under authority of this act. During such period of transition, the state council may exercise such powers and perform such duties and functions relating to the control or supervision of postsecondary educational institutions as may be authorized by interagency agreements entered into with the state board of regents or the state board of education.

Sec. 22. On July 1, 1999, K.S.A. 1997 Supp. 71-201 shall be and is hereby amended to read as follows: 71-201. (a) The board of trustees, in accordance with the provisions of law and the rules and regulations of the state board of education, shall have custody of and be responsible for the property of the community college and shall be responsible for the operation, management and control of the college. The board of trustees shall hold at least one regular meeting each month at a time prescribed by the board. The board shall make an annual report in the manner prescribed by the state board of education. Members of the board of trustees shall be paid subsistence allowances, mileage and other actual and necessary expenses incurred in the performance of their official duties.

(b) For effectuation of the purposes of this act, the board of trustees in addition to such other powers expressly granted to it by law and subject to the rules and regulations of the state board of education is hereby

4.

10

11

13

14

15

16

17

18

23

24

25

26

28

29

31

32

35

37

10

11

13

17

18

19

22

24

25

29

33

37

38

39

40

41

42

granted the following powers:

(1) To select its own chairperson and such other officers as it may deem desirable, from among its own membership. The secretary may be chief administrative officer of the college.

(2) To sue and be sued.

(3) To determine the educational program of the college subject to prior approval thereof as provided in this act and to grant certificates of completion of courses or curriculum.

(4) To appoint and fix the compensation and term of office of a pres-

ident or chief administrative officer of the college.

(5) To appoint upon nomination of the president or the chief administrative officer members of the administrative and teaching staffs, to fix and determine within state adopted standards their specifications, define their duties, and to fix their compensation and terms of employment. No community college teacher shall be required to meet certification requirements greater than those required in the state universities under the control and supervision of the state board of regents.

(6) Upon recommendation of the chief administrative officer, to appoint or employ such other officers of the college, agents and employees as may be required to carry out the provisions of law and to fix and determine within state adopted standards their qualifications, duties, compensation, terms of office or employment and all other items and conditions of employment.

(7) To enter into contracts.

(8) To accept from any government or governmental agency, or from any other public or private body, or from any other source, grants or contributions of money or property which the board may use for or in

aid of any of its purposes.

(9) To acquire by gift, purchase, lease-purchase, condemnation or otherwise, and to own, lease, use and operate property, whether real, personal, or mixed, or any interest therein, which is necessary or desirable for community college purposes. Any lease-purchase agreement entered into under authority of this subsection shall be subject to the conditions set forth in K.S.A. 10-1116c, and amendments thereto. The term of any lease entered into under authority of this subsection may be for not to exceed 10 years. Such lease may provide for annual or other payment of rent or rental fees and may obligate the community college to payment of maintenance or other expenses. Any lease or lease-purchase agreement entered into under authority of this subsection shall be subject to change or termination at any time by the legislature. Any assignment of rights in any lease or lease-purchase made under this subsection shall contain a citation of this section and a recitation that the lease or lease-purchase agreement and assignment thereof are subject to change or termination

by the legislature. To the extent that the provisions of the cash-basis and budget laws conflict with this subsection in such a manner as to prevent the intention of this subsection from being made effective, the provisions of this subsection shall control. This provision is subject to the provisions of subsection (d).

15

(10) To enter into lease agreements as lessor of any property, whether real, personal, or mixed, which is owned or controlled by the community college. Any such agreement may specify the purposes for which the property may be used, require that the property be maintained and operated by the lessee, and may contain such restrictions or limitations on the use of the property, be entered into for such period of time, and include such other terms and conditions as the board of trustees determines to be necessary and proper. Every such agreement shall be subject to change or termination at any time by the legislature. Any assignment of rights under any such agreement shall be subject to approval by the board of trustees and shall contain a citation of this section and a recitation that the lease agreement and assignment of rights thereunder are subject to change or termination by the legislature.

(11) To determine that any property owned by the college is no longer necessary for college purposes and to dispose of the same in such manner and upon such terms and conditions as provided by law.

(12) To exercise the right of eminent domain, pursuant to chapter 26 of Kansas Statutes Annotated.

(13) To make and promulgate such rules and regulations, not inconsistent with the provisions of law or with rules and regulations of the state board of education, that are necessary and proper for the administration and operation of the community college, and for the conduct of the business of the board of trustees.

(14) To exercise all other powers not inconsistent with the provisions of law or with the rules and regulations of the state board of education which may be reasonably necessary or incidental to the establishment,

maintenance and operation of a community college.

(15) To appoint a member to fill any vacancy on the board of trustees for the balance of the unexpired term. When a vacancy occurs, the board shall publish a notice one time in a newspaper having general circulation in the community college district stating that the vacancy has occurred and that it will be filled by appointment by the board not sooner than 15 days after such publication.

(16) To contract with one or more agencies, either public or private, whether located within or outside the community college district or whether located within or outside the state of Kansas for the conduct by any such agencies of academic or vocational education for students of the community college, and to provide for the payment to any such agencies

2-14

n

13

15

16

17

19

20

21

26

28

29

30

34

35

37

40

41

8

9

11

12

15

16

17

18

19

21

24

27

30

31

36

37

39

40

for their contracted educational services from any funds or moneys of the community college, including funds or moneys received from student tuition, out district tuition, and fees, funds received from the state of Kansas or the United States for academic or vocational education, or taxes collected under K.S.A. 71-204 and 72-4424, and amendments thereto. Any contract made under this subsection with an institution of another state shall be subject to the provisions of K.S.A. 71-202, and amendments thereto.

(17) To authorize by resolution the establishment of a petty cash fund in an amount not to exceed \$1,000, and to designate in such resolution an employee to maintain such petty cash fund. The employee designated in any resolution provided for in this subsection receiving such funds shall keep a record of all receipts and expenditures from the fund, and shall from time to time, and at the end of the fiscal year, prepare a statement for the board showing all receipts, expenditures, and the balance in the petty cash fund. The board of trustees may authorize the employee designated to maintain any petty cash fund to make a claim for replenishment of the fund to its original amount in advance of approval by the board of trustees if, at any time during the period between regular monthly meetings of the board of trustees, the balance remaining in the fund is insufficient to make needed expenditures for any purpose for which the petty cash fund is maintained. No petty cash fund may be replenished more than one time during each period between regular monthly meetings of the board of trustees. If a petty cash fund is replenished prior to the end of the fiscal year in accordance with the foregoing authorization, the employee authorized to maintain the petty cash fund shall keep an accurate record of all expenditures made therefrom, and the purpose therefor, and shall submit the record to the board of trustees at the next regular monthly meeting thereof. The petty cash fund shall be replenished by payment from the appropriate funds of the community college to the petty cash fund upon proper claim. The fund shall be kept separate from all other funds and shall be used only for authorized expenditures and itemized receipts shall be taken for each expenditure. No part of such fund may be loaned or advanced against the salary of an employee. All employees entrusted with such funds under this subsection shall be bonded by the community college district.

(c) Subject to the provisions of subsection (d), the board of trustees may purchase or otherwise acquire land or land and improvements and may acquire, construct, reconstruct, repair or remodel improvements thereon or additions thereto, including furnishings, equipment, and architectural and incidental expense related thereto, and for such purposes the board of trustees is authorized to issue and sell general obligation bonds, the cumulative total not to exceed the following amounts: Where

the community college district has a taxable tangible valuation of less than \$90,000,000 or is located in a county designated as urban under the provisions of K.S.A. 19-3524, and amendments thereto, not to exceed 5% of the taxable tangible property of the community college district, and where the community college district has a taxable tangible valuation of more than \$90,000,000 not to exceed 3% except as provided above for any community college district located in a county designated as urban under the provisions of K.S.A. 19-3524, and amendments thereto, of the taxable tangible property of the community college district. If any increase in the valuation of a community college district results in an outstanding bonded indebtedness in excess of that provided in this subsection, such increase shall not constitute a violation of this subsection. No such bonds shall be issued until the question of their issuance shall have been submitted to a vote of the electors of the community college district at a regular election or at a special election called for that purpose and the majority of the electors voting on the proposition in such community college district shall have voted in favor of the issuance of the bonds. Such election shall be called, noticed and held and the bonds issued, sold, delivered and retired in accordance with the provisions of the general bond law except as herein otherwise expressly provided.

(d) The board of trustees of a community college may not purchase or otherwise acquire land or land and improvements outside the community college district. Nothing in this subsection shall be construed or operate in any manner to require a board of trustees to sell, convey or otherwise dispose of land or land and improvements located outside the community college district and owned or being acquired by the community college on the effective date of this act, but no board of trustees may enter into a contract for the construction of improvements on any such land after the effective date of this act.

Sec. 23. On July 1, 1999, K.S.A. 71-204 shall be and is hereby amended to read as follows: 71-204. (a) For all the purpose of community college maintenance and operation purposes, the board of trustees is authorized to levy a tax on the taxable tangible property of the community college district.

Subject to the provisions of subsections (b) and (c), such tax levy shall is authorized to be the amount determined by the board of trustees to be sufficient to finance that part of the budget of the community college which is not financed by either (a) anticipated state aid of any type, (b) anticipated student tuition, or (e) anticipated out-district tuition, or (d) anticipated federal aid of any type levied at a rate not to exceed 10 mills by any community college established by consolidation under the statutory provisions contained in article 13 of chapter 71 of Kansas Statutes Annotated and at a rate not to exceed 20 mills by any community college





11

13

16

17

19

20

25

26

31

32

35

37

38

10

12

17

18

26

29

32

35

37

38

41

not hereinbefore specified. The budget of the community college shall be prepared and adopted as provided by law, and the tax levy therefor shall be certified to the county clerk of every county all or a part of the territory of which is in the community college district.

(b) If in any fiscal year preceding the current fiscal year the tax authorized by subsection (a) to be levied by a community college was levied at the maximum rate limited by subsection (a), the tax may be levied at an increased rate. In no event shall the increased rate of levy exceed the rate necessary to produce 102.5% of the amount that was produced in the preceding fiscal year. If an increase in the assessed valuation of a community college district in any fiscal year succeeding a fiscal year in which the community college increased its rate of levy as provided in this subsection would produce more than a 2.5% increase in the amount produced by the levy in the preceding fiscal year, the community college shall reduce its rate of levy by the millage equivalency of the amount in excess of 2.5% of the amount that was produced by the levy in the preceding fiscal year.

(c) (1) Notwithstanding the foregoing provisions, the tax levy authorized by this section shall be reduced in the 2000 fiscal year by an amount equal to ½ the amount of the difference between the amount of state aid received by the community college in the 1999 fiscal year less the amount of out-district tuition received by the community in such fiscal year and the amount of state aid to which the community college is entitled in the current fiscal year.

(2) The provisions of this subsection shall expire on June 30, 2000.

Sec. 24. On July 1, 1999, K.S.A. 1997 Supp. 71-301 shall be and is hereby amended to read as follows: 71-301. (a) The board of trustees shall charge to and collect from each student tuition at rates per credit hour enrolled which shall be established by the board of trustees.

(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 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. 75-6201et 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 and regulations of the state board, to the community colleges entitled to reeeive such money.

(e) 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 eredit 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.

Sec. 25. On July 1, 1999, K.S.A. 1997 Supp. 71-401 shall be and is hereby amended to read as follows: 71-401. (a) Persons enrolling in a community college who, if adults, have not been, or if minors, whose parents have not been residents of the county in which is located the principal campus of the community college for at least six months prior to enrollment for any term or session are nonresidents of the community





11

13

14

15

16

17

18

19

20

24

26

30

31

35

36

41

10

11

12

13

15

16

17

18

23

25

26

31

32

33

37

38

41

42

college district for the purpose of determining liability of counties for payment of out-district tuition state aid entitlement.

(b) The state board may adopt rules and regulations prescribing criteria or guidelines for determination of residence of students in community college districts and may make conclusive determination of any residence matter.

Sec. 26. On July 1, 1999, K.S.A. 71-501 shall be and is hereby amended to read as follows: 71-501. (a) The board of trustees of any community college is authorized to make an annual tax levy for a period of not to exceed five years of not to exceed two three mills upon all taxable tangible property in the community college district for the purpose of construction, reconstruction, repair, remodeling, additions to, furnishing and equipping of community college buildings, architectural expenses incidental thereto, and the acquisition of real property for use as building sites or for educational programs. No levy shall be made under this section until a resolution authorizing the levy is passed by the board of trustees and published once each week for three consecutive weeks in a newspaper having general circulation in the community college district. The resolution shall specify the mill rate of the tax levy and the period of time for which the tax levy shall be made under authority thereof. After adoption of the resolution, the levy may be made unless, within 60 days following the last publication of the resolution, a petition in opposition to the levy, signed by not less than 5% of the qualified electors of the community college district, is filed with the county election officer of the county in which the main campus of the community college is located. If a petition is filed, the levy shall not be made without the question of levying the same having been submitted to and approved by a majority of the qualified electors of the district voting at an election called for that purpose or at the next general election. If a petition is filed and no election is held, a new resolution authorizing a levy for the purposes specified in this section may not be adopted for a period of one year after the filing of the petition.

(b) Whenever an initial resolution has been adopted under subsection (a) and the resolution specified a lesser mill rate than two three mills, the board of trustees of the community college may adopt a second resolution under the same procedure as is provided in subsection (a) for the initial resolution and, subject to the same conditions and for the same purposes as provided in subsection (a), shall be authorized to make an additional tax levy in an amount to be specified in the second resolution for the remainder of the period of time specified in the initial resolution for the making of the levy under authority thereof. Any second resolution shall be limited in amount as specified in subsection (a), less such amount as was authorized in the initial resolution, and not to exceed an aggregate

amount of two three mills in any one year. If any such resolution is adopted and the tax levy therein specified is authorized under the conditions specified in subsection (a), the amount of bonds which may be issued under K.S.A. 71-502, and amendments thereto, may be increased accordingly.

(c) The board of trustees of any community college which has made a tax levy under this section may initiate, at any time after the final levy is certified to the county clerk under any current authorization, procedures to renew its authority to make a like annual tax levy in the amount, upon the conditions, and in the manner specified in subsection (a).

(d) As used in this act, "unconditionally authorized to make a tax levy under authority of article 5 of chapter 71 of Kansas Statutes Annotated" means that the board of trustees of the community college has adopted a resolution under this section, has published the same, and either that such resolution was not protested or that it was protested and an election was held by which the tax levy of the community college was approved.

Sec. 27. On July 1, 1999, K.S.A. 71-601 shall be and is hereby amended to read as follows: 71-601. "Credit hour" means one hour of instruction per week for 18 weeks or the equivalent thereof the basic unit of collegiate level instruction, as determined by the state board, in a subject or course offered at a level not higher than those subjects or courses normally offered to freshmen and sophomores in four-year institutions of postsecondary education which subject or course is approved by the state board. Credit hour does not include within its meaning any hour of instruction in a subject or course taken by a student enrolled for audit or in any subject or course not approved by the state board. The state board, in consultation with the state board of regents, shall determine whether the subjects and courses offered in the community colleges are at the level of freshmen and sophomore subjects and courses offered in the state educational institutions of postsecondary education and shall not approve any subject or course offered at a higher level.

Sec. 28. On July 1, 1999, K.S.A. 1997 Supp. 71-602 shall be and is hereby amended to read as follows: 71-602. (a) Each community college is entitled to receive credit hour state aid. The basis for payments of credit hour state aid for to community colleges for each credit hour of each duly enrolled student shall be: (1) For each credit hour in any subject or course which is not part of a vocational education program approved by the state board under the statutory provisions of contained in article 44 of chapter 72 of Kansas Statutes Annotated, an amount which shall be provided for by the legislature in acts making appropriations for the credit hour state aid entitlement of community colleges; and (2) for each credit hour in any subject or course which is part of a vocational education program approved by the state board under the statutory provisions of contained





12

13

16

17

18

19

26

35

36

41

11

13

14

16

17

18

19

25

26

31

34

35

37

38

39

41

in article 44 of chapter 72 of Kansas Statutes Annotated, an amount which shall be determined by the state board by multiplying by ½ two the amount provided for by the legislature under (1), except that the amount provided for by the legislature under (1) for each credit hour of each student shall be multiplied by two if the credit hour is in any subject or course which is part of an approved vocational education program which is offered in a community college which is also officially designated as an area vocational school by the state board or if the credit hour is in any subject or course which is part of an approved vocational education program transferred to a community college in accordance with an agreement made and entered into under authority of K.S.A. 71-1507; and amendments thereto.

- (b) Credit hour state aid payments shall be made only for credit hours of duly enrolled students if such students, as determined by the state board, are residents of the state of Kansas or are considered residents of the state of Kansas pursuant to the provisions of K.S.A. 1997 Supp. 71-407, and amendments thereto.
- (c) The determination of credit hours of duly enrolled students shall be made at times prescribed by the state board of education.
- Sec. 29. On July 1, 1999, K.S.A. 71-604 shall be and is hereby amended to read as follows: 71-604. (a) From the reports and information submitted under K.S.A. 71-603, and amendments thereto provided by the community colleges, and from other information available to it such audits and investigations as are conducted by the state department of education, the state board shall determine the amount the each community college is entitled to receive as provided in K.S.A. 71-602 and 71-607 and K.S.A. 71-610, and amendments to such sections state aid.
- (b) If the amount of any appropriation for eredit hour state aid shall be insufficient to pay in full the amount each community college is entitled to receive for eredit hour state aid, then the amount so appropriated shall be prorated among all community colleges in proportion to the amount each is entitled to receive. If the amount of any appropriation for out-district state aid shall be insufficient to pay in full the amount each community college is entitled to receive for out-district state aid, then the amount so appropriated shall be prorated among all community colleges in proportion to the amount each is entitled to receive.
- (c) The state board may audit the records of any community college applying for a part of any money appropriated for state aid, to verify the accuracy of the reports submitted by the community college. The state board may adopt rules and regulations for the administration of this act and acts amendatory thereof.
- (d) In the event any community college is paid more than the amount it is entitled to receive under any distribution made under this act or acts

amendatory thereof as state aid, the state board shall notify the community college of the amount of the overpayment and the community college shall remit the same to the state board and # the state board shall deposit the same in the state treasury to the credit of the general fund, and if any such community college fails so to remit, the state board shall deduct the excess amount so paid from future payments becoming due to such community college.

(e) In the event any community college is paid less than the amount to which it is entitled under any distribution made under this act and acts amendatory thereof to receive as state aid, the state board shall pay the additional amount due at any time within the fiscal year in which the underpayment was made or within 60 days after the end of such fiscal year.

Sec. 30. On July 1, 1999, K.S.A. 71-605 shall be and is hereby amended to read as follows: 71-605. (a) The distribution of the appropriation for credit hour state aid and out-district state aid shall be made three times each sehool fiscal year as follows: The first payment shall be made on October 1 and shall be in an amount equal to 50% of the preceding sehool fiscal year's credit hour state aid entitlement of the community college. Subject to the provisions of subsection (e), The second payment shall be made on December 1 and shall be in an amount which is equal to the balance of the summer and fall sessions' total credit hour state aid entitlement and the full amount of the summer and fall sessions' out-district state aid entitlement, with adjustment for any overpayment or underpayment resulting from computation of the first payment. The third payment shall be made on April 1 and shall be the full amount of the spring session's credit hour state aid entitlement and the spring session's out-district state aid entitlement, with adjustment for any underpayments or overpayments theretofore occurring. The state board shall certify, on or before November 25 and March 25 of each year, to the director of accounts and reports the amount due to each community college from such appropriation on the first day of December, or for the December 1, 1987, payment on the date specified in subsection (e) or on the first day of April, as the case may be, and the director of accounts and reports shall draw a warrant upon the state treasurer in favor of the community college for such amount. Upon receipt of the warrant, the treasurer of the community college shall credit the same amount of the warrant to the general fund of the community college.

(b) The distribution of the appropriation for general administrative state aid shall be made at a time to be determined by the state board. The state board shall certify to the director of accounts and reports the amount due to each community college from such appropriation, and the director of accounts and reports shall draw a warrant upon the state trea-





17

18

35

37

11

12

13

16

17

18

19

20

21

23

24

25

26

27

28

29

30

38

41

2-13

surer in favor of the community college for such amount. Upon receipt of the warrant, the treasurer of the community college shall credit the same amount of the warrant to the general fund of the community college.

(e) The eredit hour state aid and out-district state aid to be paid December 1, 1987, shall be deferred and shall be paid January 4, 1988.

(c) The distribution of the appropriation for operating grants shall be made in substantially equal payments on August 1 and January 1 of each fiscal year, or as soon thereafter as possible. The state board shall certify, on or before July 20 and December 20 of each fiscal year, to the director of accounts and reports the amount due on August 1 or on January 1, as the case may be, to each community college entitled to an operating grant from such appropriation, and the director of accounts and reports shall draw a warrant upon the state treasurer in favor of the community college for such amount. Upon receipt of the warrant, the treasurer of the community college shall credit the amount of the warrant to the general fund of the community college.

Sec. 31. On July 1, 1999, K.S.A. 1997 Supp. 71-607 shall be and is hereby amended to read as follows: 71-607. (a) Each community college is entitled to receive out-district state aid. The basis for payments in amounts determined as provided in this section. From reports and information provided by each community college, 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 each community college is entitled to bill to counties each year, and the entitlement to out-district state aid of each to community college colleges shall be an amount equal thereto plus (1) an amount equal to the amount of out-district tuition disallowed under the provisions of K.S.A. 71-304, and amendments thereto, and (2) an amount equal to the amount of out-district tuition disallowed under the provisions of subsection (e) of K.S.A. 71-600, and amendments thereto, and (3) an amount equal to the number of duly enrolled students considered residents of the state pursuant to the provisions of K.S.A. 1997 Supp. 71-407, and amendments thereto, times the amount specified in subsection (e) of K.S.A. 71-301, and amendments thereto, \$24 for each credit hour of each such duly enrolled out-district student.

(b) (1) Out-district state aid payments shall be made only for credit hours of out-district students specified in provision (3) of subsection (a) if such students, as determined by the state board, have not more than 64 eredit hours from any institution of postsecondary education or the students have not more than 72 eredit hours and are enrolled in terminal type nursing courses or freshman-sophomore level preengineering courses are residents of the state of Kansas or are considered residents of

the state of Kansas pursuant to the provisions of K.S.A. 1997 Supp. 71-2407, and amendments thereto.

(2) The eredit hour limitations prescribed by provision (1) of this subsection do not apply to eredit hours of 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.

New Sec. 32. (a) Each community college is entitled to receive administrative state aid in the amount of \$300,000 for the 2000 fiscal year and fiscal years thereafter.

- (b) In each fiscal year, commencing with the 2000 fiscal year, the community colleges to which the provisions of this subsection apply are entitled to an operating grant from the state general fund. The community colleges to which the provisions of this subsection apply and the amount of the operating grant to which each such community college is entitled are as follows:
- (1) Coffeyville community college is entitled to receive an operating grant in the amount of \$419,176 for the 2000 fiscal year and fiscal years thereafter:
- (2) Independence community college is entitled to receive an operating grant in the amount of \$293,186 for the 2000 fiscal year and fiscal years thereafter;
- (3) Johnson county community college is entitled to receive an operating grant in the amount of \$2,664,976 for the 2000 fiscal year and fiscal years thereafter;
- (4) Pratt community college is entitled to receive an operating grant in the amount of \$620,106 for the 2000 fiscal year and fiscal years thereafter.
- Sec. 33. On July 1, 1999, K.S.A. 1997 Supp. 71-609 shall be and is hereby amended to read as follows: 71-609. (a) No out district tuition charges, no out district state aid entitlement, no eredit hour state aid entitlement, and no general state aid entitlement shall be based upon eredit hours enrollment in any subject or course the principal part of which is taught at a location outside the county of the main campus of the community college, unless the location of such subject or course is specifically authorized by the state board of education.
- (b) (1) No out-district tuition charges and no out-district state aid entitlement shall be based upon credit hours enrollment in any subject or course which is taught in a county in which the main campus of a state educational institution is located, unless the teaching of such subject or course is specifically authorized by the chief executive officer of the state educational institution or by a designee of the chief executive officer. The





2.14

chief executive officer of each state educational institution may designate and authorize a person or committee to act on behalf of the chief executive officer in granting the authorizations required by this subsection. No authorization required by this subsection shall be considered to be or construed in any manner as an agreement provided for by subsection (c).

(2) For the purposes of this subsection, the term "main campus of a state educational institution" as applied to Kansas state university of agriculture and applied science means and includes the campus of the university located in Riley county and the campus of the university's college of technology located in Saline county.

(3) The provisions of this subsection are subject to the provisions of subsection (e).

(e) (1) No out-district tuition charges shall be based upon credit hours in any subject or course all or the principal part of which is taught at Fort Hays state university or at Wichita state university under an agreement for the teaching of such subject or course entered into by a community college and either such university. An agreement entered into under the provisions of this subsection for the teaching of a subject or course by a community college at Fort Hays state university or at Wichita state university shall constitute the authorization required by subsection (b) for the teaching of such subject or course, and no separate authorization under subsection (b) shall be required.

(2) The provisions of this subsection shall expire on June 30, 1008, unless amended by act of the legislature prior to such date.

Sec. 34. On July 1, 1999, K.S.A. 71-609a shall be and is hereby amended to read as follows: 71-609a. No out district state aid entitlement, no eredit hour state aid entitlement, and no general state aid entitlement of a community college shall be based upon any course or program if such course or program is taught in an area vocational school of, an area vocational-technical school, or a technical college under an agreement with such community college and for which payments of state or federal moneys are made to the area vocational school of, the area vocational-technical school, or the technical college under the provisions of article 44 of chapter 72 of Kansas Statutes Annotated; and no such course or program shall be counted in determining the number of credit hours of out district students for the purpose of computing the amount of out district tuition to be charged by a community college.

Sec. 35. On July 1, 1999, K.S.A. 71-610 shall be and is hereby amended to read as follows: 71-610. Notwithstanding any provision contained in chapter 71 of Kansas Statutes Annotated to the contrary, whenever there are two community college districts located within one county, no out-district tuition shall be charged for any student residing in such county and attending either such community college. No out-district state

aid entitlement shall be based upon enrollment of any student who resides in such a county and attends either community college *located* therein.

Sec. 36. On July 1, 1999, K.S.A. 1997 Supp. 71-611 shall be and is hereby amended to read as follows: 71-611. (a) "Operating expenses" means the total expenditures and lawful transfers from the general fund of a community college during a sehool fiscal year for all purposes.

(b) "Legally adopted budget of operating expenses" means the amount legally authorized and budgeted for such operating expenses in

the budget general fund of a community college.

(c) "General fund" means the fund of a community college from which operating expenses are paid and, subject to the provisions of K.S.A. 71-613a, and amendments thereto, to which all amounts of eredit hour state aid, out-district state aid, general state aid, property taxes for general purposes, out-district tuition, student tuition, and other moneys provided for by law are credited.

Sec. 37. On July 1, 1999, K.S.A. 71-613 shall be and is hereby amended to read as follows: 71-613. (a) All moneys received by a community college for establishing, conducting, maintaining and administering any vocational education program authorized by under article 44 of chapter 72 of Kansas Statutes Annotated shall be deposited in the vocational education fund, unless required to be deposited in the general fund. The expenses of a community college attributable to vocational education shall be paid from the vocational education fund.

(b) Community colleges shall maintain fund accounting procedures as may be necessary to assure proper accounting for federal funds for vocational education special projects, whether received directly from the federal government or any of its agencies, or received through the state or any of its agencies.

Sec. 38. On July 1, 2000, K.S.A. 71-801 shall be and is hereby amended to read as follows: 71-801. (a) Community colleges are under the supervision of subject to coordination by the state board of council on higher education.

(b) The state council on higher education shall identify core indicators of performance for community colleges and shall establish and implement a data management system that includes a process and format for collecting, aggregating and reporting common and institution-specific information documenting effectiveness of the colleges in meeting the role and mission thereof.

Sec. 39. On July 1, 1999, K.S.A. 1997 Supp. 71-613a shall be and is hereby amended to read as follows: 71-613a. All amounts of eredit hour state aid, out district state aid, general state aid, out district tuition, and student tuition received by a community college for any program authorized by article 44 of chapter 72 of Kansas Statutes Annotated may be



11

12

13

16

17

18

19

21

24

25

26

27

30

31

34

39

40

41

43

10

11

15

16

17

18

19

21

23

29

30

31

32

41

deposited in the vocational education fund of the community college.

Sec. 40. On July 1, 1999, K.S.A. 71-1508 shall be and is hereby amended to read as follows: 71-1508. (a) There is hereby established in every community college conducting a motorcycle driver safety course a fund which shall be called the "motorcycle driver safety" fund. The motorcycle driver safety fund shall consist of all moneys deposited therein or transferred thereto according to law. All moneys received by community colleges from distributions made from the motorcycle safety fund and from tuition, fees or charges for motorcycle driver safety courses shall be credited to the motorcycle driver safety fund. The expenses of community colleges directly attributable to motorcycle driver safety courses shall be paid from the motorcycle driver safety fund.

(b) No out-district tuition shall be charged or paid for any student on the basis of enrollment in a motorcycle driver safety course and no out-district state aid entitlement, credit hour state aid entitlement, or general state aid entitlement of a community college shall be based upon a motorcycle driver safety course conducted by the community college.

Sec. 41. On July 1, 1999, K.S.A. 71-1702 shall be and is hereby amended to read as follows: 71-1702. (a) The governing body of an area vocational school or area vocational-technical school which is consolidated with and made a part of a community college in accordance with the provisions of this act shall enter into a consolidation agreement with the board of trustees of the community college with which such area vocational school or area vocational-technical school is consolidated.

(b) Every consolidation agreement entered into under this section shall provide for:

- (1) The disposition of all real property of the affected area vocational school or area vocational-technical school, which disposition shall not be in contravention of the provisions of subsection (d) of K.S.A. 71-201, and amendments thereto;
- (2) the disposition of all personal property, records and moneys, including state and federal financial aid, of the affected area vocational school or area vocational-technical school;
- (3) the payment of all lawful debts of the affected area vocational school or area vocational-technical school, including any outstanding bonded indebtedness attributable to the operation thereof;
- (4) the payment of all accrued compensation or salaries of all personnel of the affected area vocational school or area vocational-technical school:
- (5) the transfer of personnel, if such personnel are deemed necessary, in the employment of the affected area vocational school or area vocational-technical school to the employment of the community college; and
 - (6) such other matters as may need to be addressed as the result of

such consolidation by the affected area vocational school or area vocational-technical school and the community college.

- (c) Immediately upon execution of each consolidation agreement entered into under this section, the state board of education shall be notified thereof by the board of trustees of the affected community college. The state board shall review and approve such consolidation agreement and upon approval of such agreement, the state board, for purpose of determining eredit hour state aid under K.S.A. 71-602, and amendments thereto, shall issue an order officially designating the community college as an area vocational school.
- (d) When any conflict arises as to the proper disposition of property, records or funds or as to the assumption and payment of any debts as a result of any consolidation effected under this act, such conflict shall be determined and resolved by the state board of education and such determination and resolution shall be final.

New Sec. 42. (a) As used in this section:

- (1) "Governing board" means in the case of a community college, the board of trustees; in the case of an area vocational school or a technical college that formerly was an area vocational school, the board of education of the sponsoring school district; in the case of an area vocational-technical school or a technical college that formerly was an area vocational-technical school, the board of control.
- (2) "District" means in the case of a community college, the community college district; in the case of an area vocational school or a technical college that formerly was an area vocational school, the sponsoring school district; in the case of an area vocational-technical school or a technical college that formerly was an area vocational-technical school, the participating district in which the main campus of the school or college is located.
- (3) "Area school" means an area vocational school, an area vocational-technical school, or a technical college.
- (b) Whenever a petition requesting consolidation of two or more community college districts or consolidation of one or more area schools with one or more community colleges, signed by not less than 15% of the qualified electors residing within each of the districts that would be affected by such consolidation, is filed with the governing board of each such college or school, respectively, each such governing board shall place the matter on the agenda for consideration at the next regularly scheduled meeting of the board and shall provide for a public hearing on the matter at such meeting. Notice of the time, date, place and purpose of the public hearing shall be published in a newspaper of general circulation in the district at least once prior to the hearing. Subsequent to the public hearings provided for by the respective governing boards, each such board,





11

17

10

14

16

17

19

20

21

22

23

24

25

27

30

32

33

35

36

38

39

41

after considering all the testimony given at the hearing shall make a final decision with regard to the petition requesting consolidation. The final decision shall be in writing, shall include a statement of all factors considered by the board in reaching its decision, and shall be published at least once in a newspaper of general circulation in the district. If the final decision of one or more governing boards is to reject the petition requesting consolidation, the matter shall be deemed closed as to such board or boards and no like petition shall be filed with any such board within the 12 months following publication of the final decision. If the final decision of two or more governing boards is to consolidate and such boards are boards of trustees, the boards shall proceed in accordance with the statutory provisions contained in article 13 of chapter 71 of Kansas Statutes Annotated. If the final decision of three or more governing 13 boards is to consolidate and two or more such boards are governing boards of community colleges and one or more such boards are governing boards of area schools, the boards of trustees shall proceed initially in accordance with the statutory provisions contained in article 13 of chapter 71 of Kansas Statutes Annotated and subsequent to consolidation of the community colleges under such provisions, the governing board of the area school or, in the case of two or more area schools, the governing boards of such schools and the board of trustees of the consolidated community college shall proceed in accordance with the statutory provisions contained in article 17 of chapter 71 of Kansas Statutes Annotated. If the final decision of two governing boards is to consolidate and one such board is the board of trustees of a community college and one such board is the governing board of an area school, the boards shall proceed in accordance with the statutory provisions contained in article 17 of chapter 71 of Kansas Statutes Annotated.

Sec. 43. On July 1, 1999, K.S.A. 12-16,102 shall be and is hereby amended to read as follows: 12-16,102. (a) Except as provided in this section, "taxing subdivision" means any city, county, township, eommunity college district or other political subdivision of the state of Kansas having authority to levy taxes on taxable tangible property. A community college district shall not be considered a taxing subdivision for the purpose of this section. A school district shall not be considered a taxing subdivision for the purpose of this section except that any school district operating a public library pursuant to K.S.A. 72-1623, and amendments thereto, for that purpose, shall be considered a taxing subdivision for the purpose of this section.

(b) Any taxing subdivision may create and establish employee benefits contribution funds for (1) the taxing subdivision or (2) any political subdivision for which a tax is levied by such taxing subdivision for the purpose of paying the employer's share of any employee benefits, exclusive of any

salaries, wages or other direct payments to such employees, as may be prescribed in the ordinance or resolution of the governing body creating such funds. The taxing subdivision may receive and place in such funds any moneys from any source whatsoever which may be lawfully utilized for the purposes stated in the ordinance or resolution creating such funds, including the proceeds of tax levies authorized by law for such purposes.

(c) The governing body of any taxing subdivision having established employee benefits funds under subsection (b) is hereby authorized to levy an annual tax upon all taxable tangible property within the taxing subdivision in an amount determined by the governing body to be necessary for the purposes for which such funds were created and to pay a portion of the principal and interest on bonds issued under the authority of K.S.A. 12-1774, and amendments thereto, by cities located in the county.

Sec. 44. On July 1, 1999, K.S.A. 1997 Supp. 19-101a shall be and is hereby amended to read as follows: 19-101a. (a) The board of county commissioners may transact all county business and perform all powers of local legislation and administration it deems appropriate, subject only to the following limitations, restrictions or prohibitions:

(1) Counties shall be subject to all acts of the legislature which apply uniformly to all counties.

Counties may not consolidate or alter county boundaries.

Counties may not affect the courts located therein.

(4) Counties shall be subject to acts of the legislature prescribing limits of indebtedness.

(5) In the exercise of powers of local legislation and administration authorized under provisions of this section, the home rule power conferred on cities to determine their local affairs and government shall not be superseded or impaired without the consent of the governing body of each city within a county which may be affected.

(6) Counties may not legislate on social welfare administered under state law enacted pursuant to or in conformity with public law No. 271-74th congress, or amendments thereof.

(7) Counties shall be subject to all acts of the legislature concerning elections, election commissioners and officers and their duties as such officers and the election of county officers.

(8) Counties shall be subject to the limitations and prohibitions imposed under K.S.A. 12-187 to 12-195, inclusive, and amendments thereto, prescribing limitations upon the levy of retailers' sales taxes by counties.

(9) Counties may not exempt from or effect changes in statutes made nonuniform in application solely by reason of authorizing exceptions for counties having adopted a charter for county government.

(10) No county may levy ad valorem taxes under the authority of this section upon real property located within any redevelopment area estab-





lished under the authority of K.S.A. 12-1772, and amendments thereto, unless the resolution authorizing the same specifically authorized a portion of the proceeds of such levy to be used to pay the principal of and interest upon bonds issued by a city under the authority of K.S.A. 12-1774, and amendments thereto.

- (11) Counties shall have no power under this section to exempt from any statute authorizing or requiring the levy of taxes and providing substitute and additional provisions on the same subject, unless the resolution authorizing the same specifically provides for a portion of the proceeds of such levy to be used to pay a portion of the principal and interest on bonds issued by cities under the authority of K.S.A. 12-1774, and amendments thereto.
- (12) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-4601 to 19-4625, inclusive, and amendments thereto.
- (13) Except as otherwise specifically authorized by K.S.A. 12-1,101 to 12-1,109, inclusive, and amendments thereto, counties may not levy and collect taxes on incomes from whatever source derived.
- (14) Counties may not exempt from or effect changes in K.S.A. 19-430, and amendments thereto. Any charter resolution adopted by a county prior to July 1, 1983, exempting from or effecting changes in K.S.A. 19-430, and amendments thereto, is null and void.
- (15) Counties may not exempt from or effect changes in K.S.A. 19-302, 19-502b, 19-503, 19-805 or 19-1202, and amendments thereto.
- (16) Counties may not exempt from or effect changes in K.S.A. 13-13a26, and amendments thereto. Any charter resolution adopted by a county, prior to the effective date of this act, exempting from or effecting changes in K.S.A. 13-13a26, and amendments thereto, is null and void.
- (17) Gounties may not exempt from or effect changes in K.S.A. 71-301, and amendments thereto. Any charter resolution adopted by a county, prior to the effective date of this act, exempting from or effecting changes in K.S.A. 71-301, and amendments thereto, is null and void.
- (18) Counties may not exempt from or effect changes in K.S.A. 19-15,139, 19-15,140 and 19-15,141, and amendments thereto. Any charter resolution adopted by a county prior to the effective date of this act, exempting from or effecting changes in such sections is null and void.
- (19) (17) Counties may not exempt from or effect changes in the provisions of K.S.A. 12-1223, 12-1225, 12-1225a, 12-1225b, 12-1225c and 12-1226, and amendments thereto, or the provisions of K.S.A. 1996 1997 Supp. 12-1260 to 12-1270, inclusive, and amendments thereto, and 12-1276, and amendments thereto.
- (20) (18) Counties may not exempt from or effect changes in the provisions of K.S.A. 19-211, and amendments thereto.
 - (21) (19) Counties may not exempt from or effect changes in the

1 provisions of K.S.A. 19-4001 to 19-4015, inclusive, and amendments 2 thereto.

3 (22) (20) Counties may not regulate the production or drilling of any
4 oil or gas well in any manner which would result in the duplication of
5 regulation by the state corporation commission and the Kansas depart6 ment of health and environment pursuant to chapter 55 and chapter 65
7 of the Kansas Statutes Annotated and any rules and regulations adopted
8 pursuant thereto. Counties may not require any license or permit for the
9 drilling or production of oil and gas wells. Counties may not impose any
10 fee or charge for the drilling or production of any oil or gas well.

11 (23) (21) Counties may not exempt from or effect changes in K.S.A. 12 79-41a04, and amendments thereto.

13 (24) (22) Counties may not exempt from or effect changes in K.S.A.
 14 1996 Supp. 79-1611, and amendments thereto.

(25) (23) Counties may not exempt from or effect changes in K.S.A. 1996 Supp. 79-1494, and amendments thereto.

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

(27) (25) Counties may not exempt from or effect changes in subsection (b) of K.S.A. 19-204, and amendments thereto.

(b) Counties shall apply the powers of local legislation granted in subsection (a) by resolution of the board of county commissioners. If no statutory authority exists for such local legislation other than that set forth in subsection (a) and the local legislation proposed under the authority of such subsection is not contrary to any act of the legislature, such local legislation shall become effective upon passage of a resolution of the board and publication in the official county newspaper. If the legislation proposed by the board under authority of subsection (a) is contrary to an act of the legislature which is applicable to the particular county but not uniformly applicable to all counties, such legislation shall become effective by passage of a charter resolution in the manner provided in K.S.A. 19-101b, and amendments thereto.

Sec. 45. On July 1, 1999, K.S.A. 79-5021 shall be and is hereby amended to read as follows: 79-5021. As used in K.S.A. 79-5021 to 79-5035, inclusive, and amendments thereto: (a) "Taxing subdivision" means every taxing district in the state of Kansas other than the state and the community colleges organized and operating under the laws of the state; (b) "base year" means either 1988 or 1989, whichever is designated by the taxing subdivision as its base year; and (c) "assessed valuation amount for 1989" means the taxable tangible assessed valuation as shown on the November 1, 1989, abstract transmitted to the director of property valuation pursuant to K.S.A. 79-1806 adjusted by changes in valuations which were made prior to July 1, 1990.

6

10

11

12

13

14

15

16

17

18

19

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

39

40

43

11

12

15

16

18

19

21

27

31

34

Sec. 46. On July 1, 1999, K.S.A. 79-5022 shall be and is hereby amended to read as follows: 79-5022. (a) In 1990 and in each year thereafter, all existing statutory fund mill levy rate and aggregate levy rate limitations on taxing subdivisions are hereby suspended.

(b) Except as otherwise provided in K.S.A. 79-5024 to 79-5027, inclusive, and amendments thereto, no city, county; or township; municipal university or community college shall certify to the county clerk of the county any tax levies upon tangible property, excluding levies specified in K.S.A. 79-5028, and amendments thereto, which in the aggregate will produce an amount in excess of the amount which was levied by such taxing subdivision in the base year.

(c) In 1990, and each year thereafter, the fund levy limits shall be increased by multiplying the dollar amount produced by the levy limit for 1988 by the quotient determined by dividing the assessed tangible valuation amount of the current year by the assessed valuation amount for 1989. The provisions of this subsection shall not be applicable to any city, county, or township, municipal university or community college.

Sec. 47. On July 1, 1999, K.S.A. 79-5024 shall be and is hereby amended to read as follows: 79-5024. (a) Whenever the taxable assessed tangible valuation of any city, county, or township, municipal university or community college is increased by new improvements on real estate or by increased personal property valuation, or both, the amount which would be produced by the aggregate tax levy authorized under K.S.A. 79-5022, and amendments thereto, shall be adjusted to increase the amount authorized in the proportion that the assessed valuation of the new improvements and the increased personal property valuation bears to the total assessed valuation amount for 1989. With respect to community colleges, whenever the enrollment of any such college in any school year is greater than such enrollment in the 1080-1000 school year, the amount which would be produced by the aggregate tax levy authorized under K.S.A. 70-5022, and amendments thereto, shall be adjusted to increase the amount authorized in the proportion that the enrollment of such college for the current school year bears to the enrollment of such college in the 1980-1990 school year.

(b) Such city, county, or township, municipal university or community eollege may then levy the amount permitted under K.S.A. 79-5022, and amendments thereto, and in addition thereto the amount produced by the levy on such new improvements and added personal property as provided in this section and, with respect to community colleges, in addition thereto the amount produced as a result of increased enrollment as provided in this section.

Sec. 48. On July 1, 1999, K.S.A. 79-5025 shall be and is hereby amended to read as follows: 79-5025. In the event that any territory is

added to an existing city, county, or township, municipal university or eemmunity eollege, the amount which would be produced by the aggregate tax levy otherwise authorized under K.S.A. 79-5022 and 79-5024, and amendments thereto, shall be adjusted to increase the amount authorized in the proportion that the assessed valuation of the tangible taxable property in the territory added bears to the total taxable assessed tangible valuation of the city, county, or township, municipal university or community college, excluding the property in such added territory.

35

Sec. 49. On July 1, 1999, K.S.A. 79-5026 shall be and is hereby amended to read as follows: 79-5026. In the event that any taxable tangible property is excluded from the boundaries of any city, county, or township, municipal university or community college, the amount which would be produced by the aggregate tax levy authorized under the provisions of K.S.A. 79-5022 and 79-5024, and amendments thereto, shall be adjusted to decrease the amount authorized in the proportion that the assessed valuation of the tangible property excluded bears to the total taxable assessed valuation of the city, county, or township, municipal university or community college, including such excluded property.

Sec. 50. On July 1, 1999, K.S.A. 79-5028 shall be and is hereby amended to read as follows: 79-5028. The provisions of K.S.A. 79-5021 to 79-5036, inclusive, and amendments thereto, shall not apply to or limit the levy of taxes for the payment of:

(a) Principal and interest upon state infrastructure loans, bonds, temporary notes, no-fund warrants and payments made to a public building commission;

(b) judgments, settlements and expenses for protection against liability to the extent such expenses are authorized by article 61 of chapter 75 of the Kansas Statutes Annotated and amendments thereto;

(c) employer contributions for social security, workers compensation, unemployment insurance, health care costs, employee benefit plans, and employee retirement and pension programs;

(d) expenses incurred by counties for district court operations under the provisions of K.S.A. 20-348 or 20-349, and amendments thereto, and expenses incurred by counties for the detention of juveniles;

(e) expenses incurred by counties for payment of out-district tuition to community colleges pursuant to K.S.A. 71-301, and amendments thereto, and expenses incurred by counties and townships for payment of out-district tuition to municipal universities pursuant to K.S.A. 13-13a26, and amendments thereto;

expenses incurred for the first time on and after January 1, 1996, by cities in effectuating programs specifically enacted and administered for the purpose of preventing juvenile delinquency and crime; or

(g) (f) expenses incurred by any taxing subdivision for rebates to own-

7

10

11

13

15

17

18

19

21

24

25

26

31

33

34

35

36

37

10

11

12

16

17

19

20

21

22

24

25

26

29

30

32

33

35

36

37

38

39

41

42

43

ers of property in connection with a neighborhood revitalization program instituted in accordance with K.S.A. 1996 1997 Supp. 12-17,114 et seq., and amendments thereto.

The provisions of K.S.A. 79-5021 to 79-5036, inclusive, and amendments thereto, do not apply to the tax levies authorized or required under K.S.A. 19-4004, 19-4011, 65-212 and 65-215 and amendments thereto.

Amounts produced from any taxes levied for purposes specified in this section shall not be used in computing any aggregate limitation under the provisions of this act. In addition, amounts needed to be produced from the levy of taxes by a taxing subdivision to replace the difference between the amount of revenue estimated to be received by such taxing subdivision pursuant to K.S.A. 79-5101 et seq., and amendments thereto, in 1990, and the amount of such revenue estimated to be received by such taxing subdivision in each year thereafter shall not be used in computing any aggregate limitation under the provisions of this act. On or before June 1 of each year, information necessary to make such computation shall be provided to each taxing subdivision by the appropriate county treasurer.

Sec. 51. On July 1, 1999, K.S.A. 79-5032 shall be and is hereby amended to read as follows: 79-5032. Whenever any city, county, or township, municipal university or community college shall be required by law to levy taxes for the financing of the budget of any political or governmental subdivision of this state which is not authorized by law to levy taxes on its own behalf, and the governing body of such city, county, or township, municipal university or community college is not authorized or empowered to modify or reduce the amount of taxes levied therefor, the tax levies of such political or governmental subdivision shall not be included in or considered in computing the aggregate limitations upon the property tax levies of the city, county, or township, municipal university or community college levying taxes for such political or governmental subdivision. The fund levy limits of such political or governmental subdivision shall be established in accordance with subsection (c) of K.S.A. 79-5022, and amendments thereto.

New Sec. 52. As used in sections 52 through 61, and amendments thereto:

(a) "Washburn board" means the board of trustees established by section 58, and amendments thereto, for Washburn university.

(b) "Campus property" means the real estate, buildings, facilities, furnishings, fixtures and equipment comprising the physical plant of Washburn university of Topeka.

(c) "Endowment property" means endowment funds, scholarship funds and investment real or personal property, the net earnings of which are devoted to general or special purposes as prescribed or authorized by the donors of such property.

(d) "State council" means the Kansas council on higher education provided for in the constitution of this state and established by section 3, and amendments thereto.

New Sec. 53. (a) On July 1, 2000, Washburn university shall be and is hereby established as a separate, freestanding state educational institution under the control and supervision of the state council.

(b) Prior to July 1, 2000, Washburn university shall continue to be known as Washburn university of Topeka and, subject to the provisions of this act, shall continue to be operated and managed as a municipal university and shall be entitled to all financial aid payments provided for by law.

(c) Except as otherwise specifically provided in this act, after June 30, 2000, Washburn university shall be the successor in interest to Washburn university of Topeka and all properties, moneys, rights, authorities and liabilities of Washburn university of Topeka, except endowment property, are hereby transferred to and imposed upon Washburn university. Except as otherwise specifically provided in this act, after June 30, 2000, whenever Washburn university of Topeka, or words of like effect, is referred to or designated by any statute, contract or other document, such reference or designation shall be deemed to apply to Washburn university, a state educational institution.

New Sec. 54. (a) On July 1, 2000, the board of regents of Washburn university of Topeka shall transfer and convey all of the campus property of Washburn university of Topeka and all of the rights, title or interest that Washburn university may have in such campus property on the date of transfer, or may thereafter acquire in such campus property, to the state council for and on behalf of the state of Kansas. On July 1, 2000, the state council shall succeed by operation of law to all rights and liabilities of Washburn university of Topeka, except for: (1) Endowment property, (2) general obligation bonds of Washburn university of Topeka which are approved or issued and outstanding on or before July 1, 2000, (3) contractual obligations regarding employees of Washburn university of Topeka which obligations are covered by section 56, and amendments thereto, and (4) any other rights and liabilities otherwise specifically provided for by any other section of this act. All obligations and interest on such general obligation bonds shall be met and satisfied as provided in section 60, and amendments thereto.

(b) The state council, for and on behalf of the state of Kansas, shall accept the transfers and conveyances of title to all of the campus property of Washburn university of Topeka. Actual possession, control and supervision of the university and the campus property thereof by the state of Kansas through the state council shall be effective on July 1, 2000.

New Sec. 55. (a) Prior to July 1, 2000, and subject to the provisions

2-36

-

15

16

17

18

19

20

21

22

24

26

27

30

31

32

34

35

37

38

40

9

11

13

14

16

17

18

19

21

22

25

26

28

29

30

31

34

37

38

11

of this act, the board of regents of Washburn university of Topeka shall be the governing body of Washburn university of Topeka and shall exercise such power and authority as is provided by law for the operation and management of Washburn university of Topeka in its status as a municipal university.

(b) After July 1, 1999, the board of regents of Washburn university of Topeka shall serve as liaison with the state board of regents and the Kansas council on higher education for the purpose of implementation of transitional adjustments in the operations and procedures of the university as a state agency. During the transition period, the board of regents of Washburn university of Topeka may perform such other powers, duties and functions as may be prescribed by the state council with regard to Washburn university or by law.

- (c) During the transition period, Washburn university shall make the required adjustments in the accounting, purchasing, personnel, budgeting and other administrative operations, policies and procedures to conform to the operations, policies and procedures required under laws, rules and regulations and policies which are applicable to state educational institutions under the control and supervision of the state board of regents or the Kansas council on higher education, as the case may be. Except as otherwise authorized or prescribed by this act or by the secretary of administration, the provisions of laws and rules and regulations pertaining to accounting, purchasing, personnel, budgeting and other administrative matters, which are administered by the department of administration, or any division or officer thereof, and which apply to other state educational institutions, shall not apply to Washburn university during such transition period and Washburn university is hereby authorized to use other operating procedures and policies for such purposes in accordance with the provisions of this act.
- (d) During the transition period, subject to provisions of appropriation acts and subject to approval by the secretary of administration and the state council, Washburn university may transfer moneys in the Washburn university support fund and moneys in the Washburn operating grant account of the state general fund to a bank located in Shawnee county, Kansas, to the account of Washburn university. The bank account shall be awarded to a bank located in Shawnee county, Kansas, by the pooled money investment board under a written agreement in accordance with procedures for state bank accounts under K.S.A. 75-4217, and amendments thereto, and shall be secured by pledge of securities in the manner prescribed for state bank accounts under K.S.A. 75-4218, and amendments thereto, and in the amount prescribed for fee agency accounts under that statute. Each such transfer shall be made upon vouchers of the state council, which the director of accounts and reports and

the state treasurer are hereby authorized and directed to honor by making such transfers, and the moneys so transferred shall be for use by Washburn university in operating and conducting the activities of the university during the transition period. Washburn university shall make a full and complete report on a monthly basis to the state council and the secretary of administration of all expenditures from such bank account. During the transition period, all other funds of Washburn university shall be maintained on deposit to the account of Washburn university with the same bank selected under this subsection by the pooled money investment 10 board. 11

39

(e) The provisions of this section shall be construed and applied to effectuate the orderly and timely transition of Washburn university from an autonomous municipal university to a state educational institution under the control and supervision of the state council on higher education.

(f) As used in this section "transition period" means the period from July 1, 1999, through June 30, 2000, except that such period may be extended upon approval by the state council, upon request therefor by Washburn university, for an additional specified period which shall end on or before June 30, 2001.

New Sec. 56. (a) On or before July 15, 1999, the board of regents of Washburn university of Topeka shall submit to the state council a list of employees of Washburn university of Topeka who are recommended for appointment by the state council on July 1, 2000, as employees of Washburn university. On or before June 15, 2000, the state council shall advise the board of regents of Washburn university of Topeka of its approval or any modification of such list.

(b) On July 1, 2000, the state council shall appoint the employees on such list, as approved or as modified and approved by the state council, to positions in the classified service or unclassified service under the Kansas civil service act at Washburn university and, consistent with the Kansas civil service act, establish the terms and conditions of employment for such employees. Each such employee whose position is within the classified service under the Kansas civil service act shall be deemed to be subject to and qualified under the Kansas civil service act for the position to which such employee is appointed at the time of the assumption of control and supervision by the state council on July 1, 2000.

(c) (1) On and after July 1, 2000, except as otherwise provided by this act, employees of Washburn university shall be eligible as provided by statute for membership in the Kansas public employees retirement system or as provided by statute for participation in the retirement annuity plan under K.S.A. 74-4925, and amendments thereto. No prior service credit under the Kansas public employees retirement system shall be credited to such employees for service with Washburn university of To-

peka prior to July 1, 2000, except that such service prior to July 1, 2000, shall be credited toward satisfaction of the requirement to complete the certain period of service required for membership by such persons in the Kansas public employees retirement system and shall be credited toward satisfaction of the requirement to complete the certain period of service required for such persons to be granted a vested retirement benefit in such retirement system, as provided by statute for persons eligible for membership in the Kansas public employees retirement system, or shall be credited toward satisfaction of the requirement to complete the certain period of service required for such persons to participate in the retirement annuity plan under K.S.A. 74-4925, and amendments thereto, as provided by statute for persons eligible to participate in such retirement annuity plan.

(2) Each person who is appointed by the state board of regents to a position in the classified service under the Kansas civil service act under subsection (b) and who did participate in the retirement plan of Washburn university of Topeka prior to July 1, 2000, shall elect by filing a written election in the office of the Kansas public employees retirement system, in the form and manner prescribed by the board of trustees of such system, prior to July 18, 2000, either to become eligible for assistance by the state board of regents in the purchase of a retirement annuity under K.S.A. 74-4925, and amendments thereto, or not to become eligible for such assistance. Failure to file such written election shall be presumed to be an election not to become eligible for such assistance. Such election, whether to become eligible to receive such assistance or not to become eligible to receive such assistance, shall be effective as of the first day of the first complete payroll period which commences on or after July 1, 2000, and shall be irrevocable.

(d) All employees appointed under this section to positions at Washburn university shall be credited with all service of such employees with Washburn university of Topeka prior to July 1, 2000, for all purposes of determining longevity and longevity benefits under the Kansas civil service act or under the policies and rules and regulations of the state council. All sick and personal leave accrued by such employees for service with Washburn university of Topeka prior to July 1, 2000, shall be credited to such employees as sick and vacation leave under the applicable policies and rules and regulations of the state council or rules and regulations adopted under the Kansas civil service act.

(e) Subject to and in accordance with the provisions of appropriation acts, in order to provide employee and family health care coverage or health care services of a health maintenance organization for employees appointed under this section to positions at Washburn university, the Kansas state employees health care commission and the secretary of ad-

ministration are hereby authorized to adopt and make supplemental provisions for the participation of such employees within the state health care benefits program under the cafeteria benefits plan established pursuant to K.S.A. 75-6512, and amendments thereto.

New Sec. 57. (a) On July 1, 1999, or as soon thereafter as outstanding, long-term investments may be liquidated without penalty, the board of regents of Washburn university of Topeka, with regard to any such long-term investments, shall pay to the state treasurer all unencumbered and unexpended moneys of Washburn university of Topeka, except moneys (1) which constitute endowment property, (2) which are the moneys of a not-for-profit corporation operating the student union at the university or of any other not-for-profit corporation participating in university affiliated activities, or (3) which are the proceeds from the levy authorized by K.S.A. 13-13a23, and amendments thereto. Upon receipt of such moneys, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Washburn university support fund which is hereby created in the state treasury.

- (b) (1) All expenditures from the Washburn university support fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state council or by a person or persons designated by the state council.
- (2) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the Washburn university support fund interest earnings based on: (A) The average daily balance of moneys in the Washburn university support fund for the preceding month; and (B) the net earnings rate for the pooled money investment portfolio for the preceding month.
- (c) After June 30, 2000, any moneys to which Washburn university of Topeka is entitled from the tax levy made by the board of regents of Washburn university of Topeka under K.S.A. 12-16,102, 13-13a18, 13-13a23 or 75-6110, and amendments thereto, for tax years prior to tax year 2000, shall be paid to the Washburn board and shall be used for the purposes authorized by section 58, and amendments thereto.

New Sec. 58. (a) At the time of the transfer of control and supervision of Washburn university to the state council on July 1, 2000, the board of regents of Washburn university of Topeka shall be and is hereby abolished and there shall be and is hereby established the board of trustees for Washburn university, which shall be referred to as the Washburn board. Within the powers, duties and functions prescribed by this act, the Washburn board is hereby declared to be an agency of the state for all purposes under the Kansas tort claims act and the members of the Washburn board are hereby declared to be employees of the state for all pur-

13

15

16

17

18

19

24

30

37

11

13

16

17

18

19

27

28

31

35

36

39

41

poses under the Kansas tort claims act.

(b) The Washburn board shall be composed of nine members who are residents of Kansas and appointed by the governor. Members appointed to the Washburn board are eligible for reappointment. Persons serving as members of the board of regents of Washburn university of Topeka on June 30, 2000, are eligible for appointment to the Washburn board. All vacancies in office of members of the Washburn board shall be filled by appointment by the governor for the remainder of the unexpired term of the member creating the vacancy.

(c) The members of the Washburn board shall serve for terms of four years and until their respective successors have been appointed and qualified, except that, of the members initially appointed for the terms commencing on July 1, 2000, three shall serve for terms of three years, three shall serve for terms of two years, and three shall serve for terms of one vear.

(d) The primary purpose of the Washburn board shall be to support the educational undertakings of Washburn university. The Washburn board shall have the right, power and authority to have a seal, to employ such employees as are necessary for its functions, to sue and be sued and all other powers and privileges as may be necessary for the discharge of its duties and responsibilities for its functions, which are not in conflict with this act or any other law. The Washburn board shall also have the power and authority to use the proceeds of the tax levy provided for in section 60, and amendments thereto, for purposes to the benefit of Washburn university which shall include, but not be limited to, construction, reconstruction or equipping of new or existing buildings or for any other permanent improvements. After July 1, 2000, the Washburn board shall also have the power and authority to issue bonds as provided in section 60, and amendments thereto.

New Sec. 59. On July 1, 2000, the board of trustees of the Washburn endowment association, a not-for-profit corporation organized and existing under the laws of Kansas, shall assume all of the rights, powers and authority of, and shall be deemed to be the same legal entity as, the board of regents of Washburn university of Topeka with respect to endowment property of Washburn university of Topeka and shall succeed by operation of law to the ownership of all such endowment property and all such endowment property is hereby transferred and conveyed thereto. The board of trustees of the Washburn endowment association shall have the right to hold, manage, lease, sell and receive properties, real and personal, for the endowment or benefit of Washburn university.

New Sec. 60. (a) The governing body of the city of Topeka shall levy an annual tax commencing with the tax year 2000 at the rate fixed by the Washburn board of not to exceed 5.0 mills on all taxable tangible property

in such city. That portion of the amount constituting the proceeds of such levy together with the proceeds of levies for prior years under K.S.A. 13-13a23, and amendments thereto, as are required to retire and pay the interest on bonds of Washburn university of Topeka approved or issued and outstanding on or before July 1, 2000, or on bonds of the Washburn board issued under this section and outstanding after July 1, 2000, shall be paid by the county treasurer to the state treasurer and, upon receipt of the same, the state treasurer shall credit the amount paid to the Washburn university bond and interest sinking fund which is hereby created in the state treasury and which shall be used by the state council for the purpose of retiring and paying the principal of and interest on all such 12 bonds.

43

(b) The Washburn board shall have the continuing right, power and authority, by resolution and for the purposes approved by the state council, to issue bonds from time to time, for the purpose of acquiring real estate, erecting buildings for Washburn university or additions to present buildings of such university and the purchase of equipment for such buildings and for refunding any indebtedness for Washburn university. There shall not be outstanding at any one time an aggregate of bonds issued under this section by the Washburn board in excess of 2% of the assessed valuation of the taxable tangible property within the city of Topeka. The bonds shall bear interest at a rate not exceeding the maximum rate of interest prescribed by K.S.A. 10-1009, and amendments thereto, and shall mature not later than 30 years from date of issuance. Payment of bonds issued under this section by the Washburn board shall be made by the state council in accordance with subsection (a).

(c) If the proceeds of such levy in any year, together with funds available from previous levies, are insufficient to pay the principal of and interest on all such bonds required to be paid in such year, the governing body of the city of Topeka shall make such additional tax levy as may be necessary to pay such interest and principal installments coming due in such year in full. The proceeds of any such additional tax levy shall be paid by the county treasurer to the state treasurer and shall be credited by the state treasurer to the Washburn university bond and interest sinking fund.

(d) The balance, if any, of any levies made under this section which remains after the amount required to retire and pay the interest on all such bonds is paid to the state treasurer shall be paid over to the Washburn board and shall be used for purposes authorized by section 58, and amendments thereto, as may be determined by the Washburn board, except that the Washburn board shall not make any expenditures for any expense of Washburn university or for any campus property thereof unless such expenditures have received prior approval by the state council.

11

13

16

17

18

19

20

21

22

26

27

28

29

33

36

37

41

5 6

amendments thereto.

8 9 10 11

12 13 14

15 17 18

21

23 24

31 33

38

41

(e) The bonds described in this section shall not be considered in applying any law limiting bonded indebtedness of the city of Topeka. The tax levies authorized by this section are exempt from the limitation imposed under the provisions of K.S.A. 79-5021 through 79-5035, and

(f) On the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the Washburn university bond and interest sinking fund interest earnings based on: (1) The average daily balance of moneys in the Washburn university bond and interest sinking fund for the preceding month; and (2) the net earnings rate for the pooled money investment portfolio for the preceding month.

New Sec. 61. For the 2000-01 academic year and for each academic year thereafter, until such time as the state council on higher education determines that the rates of Kansas resident undergraduate tuition for Emporia state university, Fort Hays state university and Pittsburg state university are comparable to the rate of Kansas resident undergraduate tuition for Washburn university, the state council shall submit budget requests for Washburn university which presume that the percentage increase in the rate of Kansas resident undergraduate tuition for Washburn university shall be no greater than ½ of the percentage increase in the rate of Kansas resident undergraduate tuition for Emporia state university, Fort Hays state university and Pittsburg state university.

New Sec. 62. (a) As used in this section:

- "Governing board" means in the case of a community college, the board of trustees; in the case of an area vocational school or a technical college that formerly was an area vocational school, the board of education of the sponsoring school district; in the case of an area vocational-technical school or a technical college that formerly was an area vocationaltechnical school, the board of control.
 - "College" means a community college or a technical college.
- "Vocational education school" means an area vocational school or an area vocational-technical school.
- (b) A college or a vocational education school may affiliate with and be made a part of any state educational institution with the approval of the state council on higher education pursuant to rules and regulations adopted by the state council. Any such affiliation is subject to specific authorization by act of the legislature. Rules and regulations adopted by the state council shall address such matters as the mission and relationship of the affiliated institutions, effect on delivery of college and vocational education programs to residents in the service area of the college or vocational education school, disposition of all real property of the college or vocational education school, disposition of all personal property, records and moneys, including state and federal financial aid, of the col-

lege or vocational education school, payment of all lawful debts of the college or vocational education school, including any outstanding bonded indebtedness attributable to the operation thereof, payment of all accrued compensation or salaries of all personnel of the college or vocational education school, transfer of personnel, if such personnel are deemed necessary, in the employment of the college or vocational education school to the employment of the state educational institution, and such other matters as may need to be addressed as the result of the proposed affil-

45

(c) A proposal by a college or a vocational education school to affiliate with and be made a part of a state educational institution may be effectuated as follows:

(1) The governing board of an area vocational school or a technical college that formerly was an area vocational school may propose, by resolution approved by a majority of the members of the board, the affiliation with a state educational institution; or

(2) the governing board of an area vocational-technical school or a technical college that formerly was an area vocational-technical school may propose, by resolutions approved by a majority of the members of each participating board, the affiliation with a state educational institution; or

(3) the board of trustees of a community college may propose, by resolution adopted by a majority of the members of the board, the affiliation with a state educational institution. The resolution proposing the affiliation shall be published once in a newspaper having general circulation in the community college district. The publication of the resolution shall include a statement that the board of trustees intends to submit the resolution for affiliation with a state educational institution, which institution shall be named, to the state council on higher education unless a petition in opposition to the same, signed by not less than 15% of the qualified electors of the community college district, is filed with the county election officer of the county in which the main campus of the community college is located within 30 days after publication. If no petition as specified above is filed, the resolution proposing affiliation of the community college with a state educational institution shall be deemed approved and may be submitted to the state council on higher education. If a petition is filed, the county election officer shall submit the question of whether the resolution proposing affiliation of the community college with a state educational institution should be approved at the next general election of members of the board of trustees. All qualified electors residing within the community college district may vote at the election. If a majority of those voting at the election approve the resolution proposing affiliation of the community college with a state educational institution,

13

14

16

17

18

19

21

22

23

24

25

26

28

29

30

31

32

34

35

36

37

38

40

41

8

10

11

12

13

14

15

16

17

18

19

21

23

24

27

30

34

35

36

37

the resolution may be submitted to the state council on higher education. If a majority of those voting at the election disapprove the resolution proposing affiliation of the community college with a state educational institution, the resolution shall not be submitted to the state council on higher education and no like resolution shall be adopted by the board of trustees within the 12 months following the date of the election.

(d) If a resolution proposing the affiliation of a college or vocational education school with a state educational institution is approved as provided in subsection (c), the proposal shall be submitted to the state council on higher education for its consideration and approval or disapproval. The state council shall consider the proposal and make a determination concerning whether the proposed affiliation is in the best interest of the educational system of the state. If the state council approves the proposed affiliation, the state council shall develop an affiliation plan addressing all matters specified in subsection (b) in accordance with the standards adopted pursuant to such subsection and shall recommend the proposed affiliation to the legislature.

(e) Upon authorization by act of the legislature, the affiliation plan developed by the state council shall be effectuated. The act of the legislature authorizing the affiliation of a college or vocational education school with a state educational institution shall provide authority for the levy of a local property tax for capital improvements and debt retirement.

(f) The governing board of the affiliated college or vocational education school shall become and hereby is established as an adjunct to the chief executive officer of the state educational institution with which the college or vocational education school is affiliated. Each such board, in addition to such other powers expressly granted by law and subject to rules and regulations of the state council on higher education, is hereby granted the following powers: (1) To determine and have jurisdiction over noncredit economic development courses and community service activities; and (2) to advise and consult with the chief executive officer of the state educational institution on all matters relating to courses, programs, services and activities transferred to the jurisdiction of the state educational institution by reason of the affiliation including, but not by way of limitation, matters relating to personnel and budget allocations.

(g) A state educational institution with which a technical college, area vocational school or area vocational-technical school has been affiliated is authorized to provide vocational education courses or programs to pupils enrolled in a school district or such state educational institution may enter into an agreement with the board of education of any school district to provide vocational education courses or programs.

(h) Except as otherwise specifically provided by law, each college or vocational education school that is specifically approved for affiliation with a state educational institution by act of the legislature shall be considered to be a part of the state educational institution for all purposes under law and shall be subject to the control and supervision of the state council on higher education as provided by law for state educational institutions.

47

(i) No suit, action or other proceeding, judicial or administrative, lawfully commenced, or which could have been commenced, by or against any college or vocational education school affiliated with a state educational institution in accordance with the provisions of this act, or by or against any personnel of any such college or vocational education school, shall abate by reason of such affiliation. The court may allow any such suit, action or other proceeding to be maintained by or against the state educational institution with which such college or vocational education school is affiliated. No criminal action commenced or which could have been commenced by any college or vocational education school affiliated with a state educational institution in accordance with the provisions of this act shall abate by the taking effect of this act.

(j) The provisions of this section shall take effect and be in force from and after July 1, 2000.

New Sec. 63. The provisions of section 63 through 69, and amendments thereto, shall be known and may be cited as the Dwight David Eisenhower scholarship act. The provisions of the Dwight David Eisenhower scholarship act shall take effect and be in force from and after July 1, 2000.

New Sec. 64. As used in the Dwight David Eisenhower scholarship

- (a) "Eisenhower scholarship" means an award of financial assistance by this state to an Eisenhower scholar.
- (b) "Eisenhower scholar" means a person who: (1) Is a Kansas resident; (2) has qualified as a finalist for a national merit scholarship; and (3) is initially acceptable for entering a qualified institution or who has so entered and is in good standing and making satisfactory progress. Eligibility of a person for qualification as an Eisenhower scholar and the award of an Eisenhower scholarship shall commence immediately upon graduation of the person from high school.
- (c) "Qualified institution" means a state educational institution, a community college, a technical college, an area vocational school or an area vocational-technical school.
- (d) "State council" means the Kansas council on higher education provided for in the constitution of this state and established by section 3, and amendments thereto.
- (e) "Semester" means one or two principal terms, when there are only two principal terms in the academic year, whether or not there are other shorter terms during the same academic year.

11

12

13

15

16

17

21

33

34

35

12

13

14

15

16

17

18

19

20

21

23

24

25

26

27

29

31

32

33

34

35

36

37

38

40

41

(f) "Program period" means the duration of the period of time, or any division thereof, required for completion of a vocational or technical education program which is given in a qualified institution.

New Sec. 65. Within the limits of appropriations therefor, an Eisenhower scholarship may be awarded to any qualified Eisenhower scholar enrolled full time in a specified program at any qualified institution. Commencing with the first semester after qualification, an Eisenhower scholar may be awarded an Eisenhower scholarship for not more than eight consecutive semesters of undergraduate study or the equivalent thereof. The state council shall determine the equivalent of a semester when any program period or all or part of the terms for which an Eisenhower scholar is awarded an Eisenhower scholarship are not semesters.

New Sec. 66. The amount of an Eisenhower scholarship awarded to an Eisenhower scholar for the fall and spring semesters or other program periods shall be the amount of the scholar's tuition and required fees for the period.

New Sec. 67. (a) An Eisenhower scholarship may be paid annually or as otherwise specified by the state council. Eisenhower scholarships shall be paid upon certification by the qualified institution that the Eisenhower scholar is enrolled and is qualified. Payments of Eisenhower scholarships shall be made upon warrants of the director of accounts and reports pursuant to vouchers approved by the administrative officer of the state council designated by the council. Payments of Eisenhower scholarships may be made by the issuance of a single warrant to each qualified institution at which an Eisenhower scholar is enrolled for the total amount of Eisenhower scholarships for all Eisenhower scholars enrolled at the institution. The director of accounts and reports shall cause such warrant to be delivered to the qualified institution at which such scholar or scholars are enrolled. Upon receipt of such warrant, the amount thereof shall be credited to the Eisenhower scholarship fund of the qualified institution and allocated within the fund to the account of each Eisenhower scholar enrolled at that institution. The amount to be credited to the account of each such scholar shall be specified by the state council.

(b) If an Eisenhower scholar discontinues attendance before the end of any semester or other program period, after the qualified institution has received payment under this section, the qualified institution shall debit the account of the scholar by an amount equal to the entire amount which such scholar would otherwise qualify to have refunded, not to exceed the amount credited to the account of the scholar under an Eisenhower scholarship for the semester or other program period and, if an Eisenhower scholar has received payments under any federal program of student assistance in the semester or other program period, less an

amount equal to the pro rata share of such entire amount which is attributable to the assistance received by the scholar under such federal program or programs.

(c) All amounts debited by a qualified institution under subsection (b) shall be reallocated within the Eisenhower scholarship fund of the institution to the account of other Eisenhower scholars as specified by the state council.

New Sec. 68. The state council shall administer the Eisenhower scholarship program and shall:

10 (a) Publicize Eisenhower scholarships and provide information re-11 garding application procedures;

(b) designate and notify each Eisenhower scholar;

(c) approve and award Eisenhower scholarships;

(d) evaluate the Eisenhower scholarship program annually, and make a report thereon to the governor and the legislature;

(e) require any qualified institution to promptly furnish any information which the state council requests relating to administration or effect of the Eisenhower scholarship program.

New Sec. 69. Each applicant for an Eisenhower scholarship, in accordance with rules and regulations of the state council, shall:

(a) Be responsible for submission to the state council of evidence of qualification as a finalist for a national merit scholarship;

(b) complete and file an application for an Eisenhower scholarship; and

(c) report promptly to the state council any information requested relating to administration of the Eisenhower scholarship program.

New Sec. 70. The Kansas council on higher education shall establish and implement a financial assistance program for Kansas residents who are students at postsecondary educational institutions in accordance with this section and rules and regulations adopted by the state council. The financial assistance program shall be designed to augment and supplement other available financial assistance, including, but not limited to, financial assistance through state or federal programs providing scholarships, grants, tuition assistance or work-study opportunities, and to provide financial assistance to persons with demonstrated need who are students at postsecondary educational institutions. Eligibility for the financial assistance program shall be established in accordance with need-based and other criteria prescribed by rules and regulations adopted by the state council. Subject to available appropriations, the financial assistance program established under this section shall provide grants or other forms of financial assistance to eligible students for all or part of tuition and fees charged by the postsecondary educational institution for each semester, or other equivalent academic or instructional period, and may be renewed

10

11

12 13

14

15

16

17 18

19

20

21

22

23

24

25

27

28

29

31

32

33

34

36

37

38

39 40

For the fiscal year ending June 30, 1999....

For the fiscal year ending June 30, 2000....

\$519,040

\$1,751,760

1	(b) The appropriations made by this section shall not be subject to
2	the provisions of K.S.A. 46-155 and amendments thereto.
3	Sec. 75.
4	KANSAS STATE UNIVERSITY VETERINARY MEDICAL CENTER
. 5	(a) There is appropriated for the above agency from the state general
6	fund for the fiscal year or years specified, the following:
7	Enhancement and equity funding
8	For the fiscal year ending June 30, 1999
9	For the fiscal year ending June 30, 2000
10	(b) The appropriations made by this section shall not be subject to
11	the provisions of K.S.A. 46-155 and amendments thereto.
12	Sec. 76.
13	WICHITA STATE UNIVERSITY
14	(a) There is appropriated for the above agency from the state general
15	fund for the fiscal year or years specified, the following:
16	Enhancement and equity funding
17	For the fiscal year ending June 30, 1999\$535,040
18	For the fiscal year ending June 30, 2000
19	(b) The appropriations made by this section shall not be subject to
20.	the provisions of K.S.A. 46-155 and amendments thereto.
21	Sec. 77.
22	EMPORIA STATE UNIVERSITY
23	(a) There is appropriated for the above agency from the state general
24	fund for the fiscal year or years specified, the following:
25	Enhancement and equity funding
26	For the fiscal year ending June 30, 1999\$279,680
27	For the fiscal year ending June 30, 2000 \$943,920
28	(b) The appropriations made by this section shall not be subject to
29	the provisions of K.S.A. 46-155 and amendments thereto.
30	Sec. 78.
31	FORT HAYS STATE UNIVERSITY
32	(a) There is appropriated for the above agency from the state general
33	fund for the fiscal year or years specified, the following:
34	Enhancement and equity funding
35	For the fiscal year ending June 30, 1999
36	For the fiscal year ending June 30, 2000
37	(b) The appropriations made by this section shall not be subject to
38	the provisions of K.S.A. 46-155 and amendments thereto.
39	Sec. 79.
40	PITTSBURG STATE UNIVERSITY
41	(a) There is appropriated for the above agency from the state general
.42	fund for the fiscal year or years specified, the following:
43	

\$25,000,000

\$50,000,000

5

10

11

12

16

17

18

19

20 21

25

26

27

31

34

35

37

41

\$8,000,000

1	Enhancement and equity funding		
2	For the fiscal year ending June 30, 1999	\$343,680	
3	For the fiscal year ending June 30, 2000	\$1,159,920	
4	(b) The appropriations made by this section shall not be subject to		
5	the provisions of K.S.A. 46-155 and amendments thereto.	-	
6	Sec. 80.		
7	STATE BOARD OF REGENTS		
8	Transfer and and above agone, from the	state general	
9	fund for the fiscal year or years specified, the following:	Ü	
10	Washburn university property tax mill levy reduction and transition		
11	expenses		
12	For the fiscal year ending June 30, 2000	\$13,200,000	
13	(b) The appropriations made by this section shall not be	e subject to	
14	the provisions of K.S.A. 46-155 and amendments thereto.	,	
15	Sec. 81.		
16	DEPARTMENT OF EDUCATION	30	
17	(a) There is appropriated for the above agency from the	state general	
18	fund for the fiscal year or years specified, the following:	8	
19	Community college property tax mill levy reduction		
20	For the fiscal year ending June 30, 2000	\$40,471,549	
21	Technical college and area vocational school technology improvements	, , , , , , , , ,	
22	For the fiscal year ending June 30, 2000.	\$1,000,000	
23	Community college technology improvements	, =,,	
24	For the fiscal year ending June 30, 2000.	\$700,000	
25	(b) The appropriations made by this section shall not b		
26	the provisions of K.S.A. 46-155 and amendments thereto.	j	
27	Sec. 82.		
28	KANSAS COUNCIL ON HIGHER EDUCATION		
29	(a) There is appropriated for the above agency from the s	tate general	
30	fund for the fiscal year or years specified, the following:	8	
31	Operations (including official hospitality)		
32	For the fiscal year ending June 30, 1999	\$200,000	
33	For the fiscal year ending June 30, 2000.	\$1,000,000	
34	For the fiscal year ending June 30, 2001	\$1,000,000	
35	For the fiscal year ending June 30, 2002	\$1,000,000	
36	Washburn university property tax mill levy reduction and transition	Ψ1,000,000	
37	expenses		
38	For the fiscal year ending June 30, 2001	¢1.4.600.000	
39	For the fiscal year ending June 30, 2002.	\$14,600,000	
40	Merger and affiliation incentives	\$14,600,000	
41	For the fiscal year ending June 30, 2001	ee 000 000	
10	join chaing june 50, 2001	\$8,000,000	

For the fiscal year ending June 30, 2002.

Enhancement and equity funding For the fiscal year ending June 30, 2001..... For the fiscal year ending June 30, 2002..... Community college property tax mill levy reduction For the fiscal year ending June 30, 2000..... \$41,500,000 \$41,500,000 For the fiscal year ending June 30, 2002.....

53

Technical college and area vocational school technology improvements \$1,000,000 For the fiscal year ending June 30, 2001..... For the fiscal year ending June 30, 2002..... \$1,000,000

Community college technology improvements For the fiscal year ending June 30, 2001..... \$700,000 \$700,000 For the fiscal year ending June 30, 2002.....

Financial assistance for students at postsecondary educational institutions 13 For the fiscal year ending June 30, 2001..... \$6,000,000 14 15 For the fiscal year ending June 30, 2002..... \$8,000,000

(b) The appropriations made by this section shall not be subject to the provisions of K.S.A. 46-155 and amendments thereto.

New Sec. 83. The enhanced funding appropriated in sections 71 through 82, and amendments thereto, is in addition to typical base budget funding increases provided by appropriation acts and is not intended to pay for normal operating expenditure increases or to replace existing funding. It is the intent of the legislature to provide extraordinary funding to enable postsecondary educational institutions to achieve a level of excellence that would not otherwise be possible.

Sec. 84. On January 1, 1999, K.S.A. 1997 Supp. 74-4925 is hereby amended to read as follows: 74-4925. (1) The state board of regents shall:

(a) Assist all those members of the faculty and other persons who are employed by the state board of regents or by educational institutions under its management and who are in the unclassified service under the Kansas civil service act as provided in subsection (1)(f) of K.S.A. 75-2935 and amendments thereto, except health care employees, as defined by subsection (1)(f) of K.S.A. 75-2935 and amendments thereto, or, after June 30, 2000, who are described in subsection (9), in the purchase of retirement annuities for their service rendered after December 31, 1961. Effective on the first day of the first payroll period commencing with or following July 1, 1994, county extension agents employed by Kansas state university under K.S.A. 2-615 and amendments thereto shall be eligible for assistance by the state board of regents in the purchase of retirement annuities under this section. The state board of regents shall not assist any such person who is employed after December 31, 1961, until such person has been employed for a waiting period of at least one year except that (i) the state board of regents may assist any newly employed person





10

13

15

16

17

18

19

20

21

24

25

26

27

28

29

31

32

33

34

35

36

40

41

42

immediately if at the time of the commencement of employment the person is covered by a valid retirement annuity contract issued by a company described in subsection (2) which was entered into pursuant to a retirement pension plan adopted for faculty members or other persons, or both, employed by an institution of higher education and to which such person or such person's employer on such person's behalf has been mak-6 ing contributions for at least one year, and (ii) all periods of employment with (A) participating employers under the Kansas public employees re-8 tirement system, for which employment participating service credit accrued, or (B) institutions of higher education in other states for which 10 employment retirement benefits accrued under a retirement system or 11 12 plan provided for such employment, shall be credited toward satisfaction of such one-year waiting period if served, in either case, during the five 13 years immediately preceding employment with the state board of regents or with an educational institution under its management in the unclassified service under the Kansas civil service act as provided in subsection 16 (1)(f) of K.S.A. 75-2935 and amendments thereto, in addition to such 17 employment with the state board of regents or with an educational insti-18 tution under its management; no period of employment as a student em-19 20 ployee, as a seasonal or temporary employee or as a part-time employee, 21 whose employment requires less than 1,000 hours of work per year, shall be credited toward the one-year waiting period under subsection (1)(a); this act shall not apply to persons employed in such temporary and part-time positions designated by the state board of regents as exceptions 24 25 hereto:

(b) require such members of the faculty and others described in subsection (1)(a) who are so assisted by the state board of regents to contribute an amount toward the purchase of such retirement annuities of 5.5% of their salaries, such contributions to be made through payroll deductions and on a pretax basis;

(c) contribute an amount toward the purchase of such retirement annuities equal to the percentage amount, as prescribed by K.S.A. 74-4925e and amendments thereto, of the total amount of the salaries on which such members of the faculty and others described in subsection (1)(a) contribute during such period for which the contribution of the state board of regents is made;

(d) provide, under such rules and regulations as the state board of regents may adopt, for the retirement of any such member of the faculty or other person described in subsection (1)(a) on account of age or condition of health, retirement of such member of the faculty or other person described in subsection (1)(a) on account of age to be not earlier than the 55th birthday and prior to January 1, 1994, not later than the end of the academic year following the 70th year. On and after January 1, 1994, there

shall be no mandatory retirement on account of age. Any person who retires under this section and who receives benefits from the Kansas public employees retirement system for prior service credit shall have such benefits calculated in accordance with the applicable provisions of K.S.A. 74-4914 and 74-4915 and amendments thereto.

55

(2) For the purposes of this section the state board of regents may contract with:

(a) Any life insurance company authorized to do business in this state; or

(b) any life insurance company organized and operated without profit to any private shareholder or individual exclusively for the purpose of aiding and strengthening educational institutions by issuing insurance and annuity contracts only to or for the benefit of such institution and individuals engaged in the services of such institutions, whether or not such company is authorized to do business in Kansas. No premium tax or income tax shall be due or payable on such annuity contract or contracts for such retirement programs issued by a company described in this subsection (2)(b), except that neither the purchase nor the issuance of such retirement annuities from or by a company described in this subsection (2)(b) shall constitute the effecting of a contract of insurance.

(3) (a) Such member of the faculty or other person described in subsection (1)(a) shall also be a member of the Kansas public employees retirement system, but only for the purpose of granting retirement benefits based on prior service only which was rendered prior to January 1, 1962, which shall be credited to the member as provided in subsection (1) of K.S.A. 74-4913 and amendments thereto, except that such member of the faculty or other person described in subsection (1)(a) who was employed prior to July 1, 1962, who has not yet retired and who is employed on July 1, 1988, on an academic year contract, shall receive credit for 12 months of prior service for each nine months of prior service for which such member or person was employed on an academic year contract prior to July 1, 1962. For the purpose of determining eligibility for a vested benefit, service by such a member of the faculty or other person after December 31, 1961, shall be construed to be credited service under subsection (2) of K.S.A. 74-4917 and amendments thereto.

(b) Any member of the faculty or other person described in subsection (1)(a) who retires after 10 years of continuous service immediately preceding retirement shall be granted a retirement benefit based on prior service only which was rendered prior to January 1, 1962. Application for such benefit shall be in such form and manner as the board shall prescribe.

(4) For the purpose of establishing a procedure whereby the state board of regents and any member of the faculty or other person described

1-54

26

30

31

34

36

10

12

13

15

16

17

18

19

23

24

26

28

34

5

6

11

12

13

14

15

16

17

18

19

20

21

23

24

25

26

27

29

30

31

32

33

34

35

36

37

38

39

40

41

42

in subsection (1)(a), subject to rules and regulations of the state board of regents, may take advantage of section 403(a) or (b) of the federal internal revenue code of 1986 or any other section of the federal internal revenue code of 1986 which defers or excludes amounts from inclusion in income, any member of the faculty or any other person described in subsection (1)(a), whether or not such person has satisfied the one-year waiting period requirement under subsection (1)(a), may request in writing that the state board of regents reduce such person's annual salary, as fixed by the board, in an amount equal to not less than 5% nor more than the percentage allowed under section 403(b) of the federal internal revenue code of 1986, as designated by such member of the faculty or other person described in subsection (1)(a), of the gross amount of such annual salary. In the event of such request by a faculty member or other person who is required to make the contribution as provided in subsection (1)(b), such person shall not be required to make such contribution and the state board of regents shall provide a sum equal to the percentage amount, as prescribed by K.S.A. 74-4925e and amendments thereto, of the gross annual salary of the member of the faculty or other person and shall purchase for and on behalf of each such person whose salary has been so reduced a retirement annuity contract or contracts, the annual premiums for which shall be equal to the sum of the amount of the salary reduction of the member of the faculty or other person and the amount paid by the state board of regents. In the event of such request by a faculty member or other person who is serving the one-year waiting period pursuant to subsection (1)(a) who is not required to make the contribution as provided in subsection (1)(b), the state board of regents shall purchase for and on behalf of each such person whose salary has been so reduced a retirement annuity contract or contracts, the annual premiums for which shall be equal to the sum of the amount of the salary reduction of the member of the faculty or other person, but the state board of regents shall not provide the sum equal to the percentage amount, as prescribed by K.S.A. 74-4925e and amendments thereto, of the gross annual salary of such person as provided for such person who is required to make the contribution as provided in subsection (1)(b). Such retirement annuity contracts may be purchased by the state board of regents from companies described in subsection (2)(a) and subsection (2)(b) or from noninsurance companies who offer retirement plans that meet the requirements of section 403(b) of the federal internal revenue code of 1986, except that the state board of regents may require that the first 5% of the gross amount of such person's annual salary which is reduced under this subsection (4) and the amount equal to the percentage amount, as prescribed by K.S.A. 74-4925e and amendments thereto, of the gross amount of such person's annual salary which is provided by the state board of regents for the

purchase of retirement annuity contracts under this subsection (4), if required to be provided under this subsection (4), shall be used to purchase such retirement annuity contracts from such company or companies as may be designated by the state board of regents for such purposes. The director of accounts and reports is authorized to draw warrants on the state treasurer upon the filing with the director of proper vouchers for the amount of the premium on the retirement annuity contract to be paid pursuant to the terms of such contracts and this act.

(5) All employees who are described in subsection (1)(a) and who commence such employment on and after July 1, 1976, shall receive assistance under subsection (1) and shall be covered by a valid retirement annuity contract issued by a company described in subsection (2).

(6) Any employee of the state board of regents or of an educational institution under its management, other than an elected official, who is receiving or is eligible for assistance by the state board of regents in the purchase of a retirement annuity under this section and who becomes ineligible for such assistance because such employee's position is reclassified to a position in the classified service under the Kansas civil service act or who becomes ineligible for such assistance because such employee transfers to a position in the classified service under the Kansas civil service act with the state board of regents or an educational institution under its management, shall become a member of the Kansas public employees retirement system in accordance with the provisions of subsection (5) of K.S.A. 74-4911 and amendments thereto, unless such employee files a written election in the office of the Kansas public employees retirement system, in the form and manner prescribed by the board of trustees thereof, to remain eligible for assistance by the state board of regents under this section prior to the first day of the first complete payroll period occurring after the effective date of such reclassification or transfer. Failure to file such written election shall be presumed to be an election not to remain eligible for assistance by the state board of regents under this section and to become a member of the Kansas public employees retirement system under subsection (5) of K.S.A. 74-4911 and amendments thereto. Such election, whether to remain eligible for such assistance or to become a member of such system, shall be effective as of the effective date of such reclassification or transfer and shall be irrevocable.

(7) The state board of regents shall adopt uniform policies applicable to members of the faculty and other persons, who are employed by the state board of regents or by any educational institution under its management and who are in the unclassified service under the Kansas civil service act as provided in subsection (1)(f) of K.S.A. 75-2935 and amendments thereto, except health care employees, as defined by subsection (1)(f) of K.S.A. 75-2935 and amendments thereto, for the purposes of

administering the provisions of this section and the provision of retirement annuities and other benefits hereunder. All assistance provided by the state board of regents for such persons, and agreements entered into therefor, pursuant to this section prior to the effective date are hereby authorized, confirmed and validated.

(8) Any employee described in subsection (1)(a) who is on leave of absence and who accepts a position in the executive branch of government may file a written election in the office of the Kansas public employees retirement system, in the form and manner prescribed by the board, to remain eligible for assistance by the state board of regents under this section prior to the first day of the first complete payroll period occurring after the commencement of such service in the executive branch of government. Failure to file such written election shall be presumed to be an election not to remain eligible for assistance by the state board of regents. The state board of regents shall contribute an amount toward the purchase of retirement annuities on behalf of such employee equal to the sum of the amounts provided in subsection (1)(c).

(9) Each person, who is appointed by the state board of regents on July 1, 2000, to a position in the classified service under the Kansas civil service act at Washburn university as provided in section 56, and amendments thereto, who was participating in the retirement plan of Washburn university of Topeka prior to July 1, 2000, and who files a written election as provided in section 56, and amendments thereto, to become eligible for assistance by the state board of regents in the purchase of a retirement annuity under this section, shall be eligible to receive assistance by the state board of regents in the purchase of a retirement annuity in accordance with this section, effective on July 1, 2000, or the effective date of any such election, whichever is later.

Sec. 85. On January 1, 1999, K.S.A. 46-1208a and 46-1208b and K.S.A. 1997 Supp. 74-4925 are hereby repealed.

Sec. 86. On July 1, 1999, K.S.A. 12-16,102, 13-13a25, 13-13a26, 13-13a27, 13-13a28, 13-13a29, 13-13a30, 13-13a31, 13-13a32, 13-13a33, 13-13a34, 71-204, 71-304, 71-305, 71-306, 71-403, 71-501, 71-601, 71-604, 71-605, 71-609a, 71-610, 71-613, 71-1508, 71-1702, 72-4424, 79-5021, 79-5022, 79-5024, 79-5025, 79-5026, 79-5028 and 79-5032 and K.S.A. 1997 Supp. 19-101a, 71-201, 71-301, 71-401, 71-602, 71-607, 71-609, 71-611, 71-613a and 71-619 are hereby repealed.

Sec. 87. On July 1, 2000, K.S.A. 71-801 is hereby repealed.

Sec. 88. This act shall take effect and be in force from and after its publication in the statute book, the adoption of the proposition to amend sections 2, 3, 6 and 7 of article 6 of the constitution of the state of Kansas in 1998 House Concurrent Resolution No. 5049 at the general election held on November 3, 1998, and January 1, 1999.