

HOUSE BILL NO. 3015

By Committee on Appropriations

3-8

AN ACT concerning postsecondary educational institutions and the financing thereof; relating to community colleges and Washburn university of Topeka; authorizing, limiting or restricting certain taxes; establishing Washburn university as a separate state educational institution under the control and supervision of the state board of regents; providing for the conveyance of property to the state board of regents; providing for retirement of the bonded indebtedness of Washburn university of Topeka; providing for the disposition and management of certain endowment property of Washburn university of Topeka; and establishing a board of trustees for Washburn university and prescribing its composition, powers, rights and authority; making appropriations for fiscal years ending June 30, 2004, and June 30, 2005, for the state board of regents; amending K.S.A. 13-13a38, 41-719, 73-1217, 73-1218, 74-3229, 75-2576, 75-3731, 75-3732, 75-4101, 75-5501, 76-6a01, 76-711, 76-719, 76-751, 76-754 and 79-2961 and K.S.A. 2001 Supp. 71-204, 74-3209, 74-4925e, 75-3765, 76-156a and 76-756 and repealing the existing sections; also repealing K.S.A. 13-13a03, 13-13a04, 13-13a05, 13-13a06, 13-13a08, 13-13a09, 13-13a11, 13-13a12, 13-13a13, 13-13a14, 13-13a16, 13-13a17, 13-13a18, 13-13a19, 13-13a20, 13-13a20a, 13-13a21, 13-13a23, 13-13a24, 13-13a35, 13-13a36, 13-13a37, 13-13a38, as amended by section 32 of this act, 13-13a39 and 72-6507 and K.S.A. 2001 Supp. 72-6501, 72-6503, 72-6504, 72-6506, 72-6508, 72-6509 and 72-6525.

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

New Section 1. As used in sections 1 through 10, and amendments thereto:

(a) "Washburn board" means the board of trustees established by section 7, 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

1 the donors of such property.

2 New Sec. 2. (a) On July 1, 2005, Washburn university is hereby es-
3 tablished as a separate, freestanding state educational institution under
4 the control and supervision of the state board of regents, which shall be
5 located in the city of Topeka, county of Shawnee, Kansas, and which shall
6 be known as Washburn university.

7 (b) Prior to July 1, 2005, Washburn university shall continue to be
8 known as Washburn university of Topeka and, subject to the provisions
9 of this act, shall continue to be operated and managed as a municipal
10 university as provided in K.S.A. 13-13a03 through 13-13a39, and amend-
11 ments thereto, and shall be entitled to all financial aid payments and out-
12 district tuition payments as provided in K.S.A. 13-13a25 through 13-
13 13a34, and amendments thereto, and all municipal university operating
14 grants and all other financial aid payments as provided in K.S.A. 72-6501
15 through 72-6509, and amendments thereto.

16 (c) After June 30, 2005, Washburn university shall be the successor
17 in interest to Washburn university of Topeka and all properties, moneys,
18 rights, authorities and liabilities of Washburn university of Topeka, except
19 endowment property, are hereby transferred to and imposed upon Wash-
20 burn university, except as otherwise specifically provided in this act. Ex-
21 cept as otherwise specifically provided in this act, after June 30, 2005,
22 whenever Washburn university of Topeka, or words of like effect, is re-
23 ferred to or designated by any statute, contract or other document, such
24 reference or designation shall be deemed to apply to Washburn
25 university.

26 New Sec. 3. (a) On July 1, 2005, or before July 1, 2005, and to be
27 effective on July 1, 2005, the board of regents of Washburn university of
28 Topeka shall transfer and convey all of the campus property of Washburn
29 university of Topeka and all of the rights, title or interest that Washburn
30 university may have in such campus property on the date of transfer, or
31 may thereafter acquire in such campus property, to the state board of
32 regents for and on behalf of the state of Kansas. On July 1, 2005, the state
33 board of regents shall succeed by operation of law to all rights and lia-
34 bilities of Washburn university of Topeka, except for: (1) Endowment
35 property, (2) general obligation and revenue bonds of Washburn univer-
36 sity of Topeka which are approved or issued and outstanding on or by
37 July 1, 2005, (3) contractual obligations regarding employees of Washburn
38 university of Topeka which are covered by section 5, and amendments
39 thereto, and (4) any other rights and liabilities otherwise specifically pro-
40 vided for by any other section of this act. All obligations and interest on
41 such general obligation bonds shall be met and satisfied as provided in
42 section 9 and amendments thereto.

43 (b) The state board of regents, for and on behalf of the state of Kan-

1 sas, shall accept the transfers and conveyances of title to all of the campus
2 property of Washburn university of Topeka, subject to the condition that
3 actual possession, control and supervision of the university and the cam-
4 pus property thereof by the state of Kansas through the state board shall
5 not be effective until July 1, 2005.

6 New Sec. 4. (a) Prior to July 1, 2005, and subject to the provisions
7 of this act, the board of regents of Washburn university of Topeka shall
8 be the governing body of Washburn university of Topeka, shall exercise
9 such power and authority as is provided by law for the operation and
10 management of Washburn university of Topeka in its status as a municipal
11 university as provided in K.S.A. 13-13a03 through 13-13a39, and amend-
12 ments thereto, and shall serve as liaison with the state board in prepara-
13 tion for the transfer of control and supervision of the university to the
14 state board of regents.

15 (b) After June 30, 2005, the Washburn board shall serve as liaison
16 with the state board of regents during the transition period from July 1,
17 2005, through June 30, 2006, for the purposes of assisting Washburn
18 university and the state board of regents in the implementation of transi-
19 tional adjustments in the operations and procedures of the university as
20 a state agency. During such transition period, the Washburn board may
21 perform such other powers, duties and functions as may be prescribed
22 by the state board of regents with regard to Washburn university or by
23 law.

24 (c) During the transitional period from July 1, 2005, through June
25 30, 2006, Washburn university shall make the required adjustments in
26 the accounting, purchasing, personnel, budgeting and other administra-
27 tive operations, policies and procedures to conform to the operations,
28 policies and procedures required under laws, rules and regulations and
29 policies which are applicable to state educational institutions under the
30 control and supervision of the state board of regents. Except as otherwise
31 authorized or prescribed by this act or by the secretary of administration,
32 the provisions of laws and rules and regulations pertaining to accounting,
33 purchasing, personnel, budgeting and other administrative matters, which
34 are administered by the department of administration, or any division or
35 officer thereof, and which apply to other state educational institutions,
36 shall not apply to Washburn university during such transitional period
37 and Washburn university is hereby authorized to use other operating pro-
38 cedures and policies for such purposes in accordance with the provisions
39 of this act.

40 (d) During the fiscal year ending June 30, 2006, subject to provisions
41 of appropriations acts and subject to approval by the secretary of admin-
42 istration and the state board of regents, Washburn university may transfer
43 moneys in the municipal university operating grant account of the state

1 general fund to a bank located in Shawnee county, Kansas, to the account
2 of Washburn university. The bank account shall be awarded to a bank
3 located in Shawnee county, Kansas, by the pooled money investment
4 board under a written agreement in accordance with procedures for state
5 bank accounts under K.S.A. 75-4217, and amendments thereto, and shall
6 be secured by pledge of securities in the manner prescribed for state
7 bank accounts under K.S.A. 75-4218, and amendments thereto, and in
8 the amount prescribed for fee agency accounts under that statute. Each
9 such transfer shall be made upon vouchers of the state board of regents,
10 which the director of accounts and reports and the state treasurer are
11 hereby authorized and directed to honor by making such transfers, and
12 the moneys so transferred shall be for use by Washburn university for
13 use in operating and conducting the activities of the university during
14 fiscal year 2006. Washburn university shall make a full and complete
15 report on a monthly basis to the state board of regents and the secretary
16 of administration of all expenditures for fiscal year 2006 from such bank
17 account.

18 (e) The provisions of this section shall be construed and applied to
19 effectuate the orderly and timely transition of Washburn university from
20 an autonomous municipal university to a state educational institution un-
21 der the control and supervision of the state board of regents.

22 New Sec. 5. (a) On July 1, 2005, the state board of regents shall
23 appoint the persons who are employees of Washburn university of Topeka
24 on June 30, 2005, to positions in the classified service or unclassified
25 service under the Kansas civil service act at Washburn university and,
26 consistent with the Kansas civil service act, establish the terms and con-
27 ditions of employment for such employees. Each such employee whose
28 position is within the classified service under the Kansas civil service act
29 shall be deemed to be subject to and qualified under the Kansas civil
30 service act for the position to which such employee is appointed at the
31 time of the assumption of control and supervision by the state board of
32 regents on July 1, 2005.

33 (b) On and after July 1, 2005, except as otherwise provided by this
34 act, employees of Washburn university shall be eligible as provided by
35 statute for membership or participation in the Kansas public employees
36 retirement system or the retirement annuity plan under K.S.A. 74-4925,
37 and amendments thereto. No prior service credit under the Kansas public
38 employees retirement system shall be credited to such employees for
39 service with Washburn university of Topeka prior to July 1, 2005, except
40 that such service prior to July 1, 2005, shall be credited toward satisfaction
41 of any requirement to complete certain periods of service for membership
42 or participation by such persons in such retirement system or retirement
43 annuity plan. Notwithstanding the provisions of K.S.A. 74-4925e, and

1 amendments thereto, the percentage amount to be contributed or pro-
2 vided by the state board of regents under subsection (l)(C) or subsection
3 (4) of K.S.A. 74-4925, and amendments thereto, to the retirement plan
4 of Washburn university employees under K.S.A. 74- 4925, and amend-
5 ments thereto, shall be computed on the basis of 10% for payroll periods
6 chargeable to fiscal years commencing after June 30, 2005, until such
7 time as the percentage amount prescribed by K.S.A. 75-4925e, and
8 amendments thereto, is greater than 10% and thereafter the percentage
9 amount prescribed by K.S.A. 75-4925e, and amendments thereto, shall
10 be the percentage used to determine the amount to be contributed to
11 the retirement plan of Washburn university employees under K.S.A. 74-
12 4925, and amendments thereto.

13 (c) All employees appointed under this section to positions at Wash-
14 burn university shall be credited with all service of such employees with
15 Washburn university of Topeka prior to July 1, 2005, for all purposes of
16 determining longevity and longevity benefits under the Kansas civil serv-
17 ice act or under the policies and rules and regulations of the state board
18 of regents. All sick and personal leave accrued by such employees for
19 service with Washburn university of Topeka prior to July 1, 2005, shall
20 be credited to such employees as sick and annual leave under the appli-
21 cable policies and rules and regulations of the state board of regents or
22 rules and regulations adopted under the Kansas civil service act.

23 (d) Subject to and in accordance with the provisions of appropriation
24 acts, in order to provide employee and family health care coverage or
25 health care services of a health maintenance organization for employees
26 appointed under this section to positions at Washburn university, the
27 Kansas state employees health care commission and the secretary of ad-
28 ministration are hereby authorized to adopt and make supplemental pro-
29 visions for the participation of such employees within the state health
30 care benefits program under the cafeteria benefits plan established pur-
31 suant to K.S.A. 75-6512, and amendments thereto.

32 New Sec. 6. (a) On July 1, 2005, or as soon thereafter as outstanding,
33 long-term investments may be liquidated without penalty, all unencum-
34 bered and unexpended moneys and all intangible property investments
35 of Washburn university of Topeka, except moneys (1) which constitute
36 endowment property, (2) which are the moneys of a not-for-profit cor-
37 poration operating the student union at the university or of any other not-
38 for-profit corporation participating in university affiliated activities, or (3)
39 which are the proceeds from the levy authorized by K.S.A. 13-13a23, and
40 amendments thereto, shall be paid or transferred and conveyed to the
41 Washburn board and shall not be placed in the state treasury.

42 (b) After June 30, 2005, any moneys which Washburn university of
43 Topeka has received or is entitled to receive from the tax levies made by

1 the board of regents of Washburn university of Topeka under K.S.A. 12-
2 16,102, 13-13a18, 13-13a38 and 75-6110, and amendments thereto, for
3 tax years prior to tax year 2005, shall be paid to the Washburn board and
4 shall not be placed in the state treasury.

5 (c) After June 30, 2005, any moneys to which Washburn university
6 of Topeka is entitled from the tax levy made by the board of regents of
7 Washburn university of Topeka under K.S.A. 13-13a23, and amendments
8 thereto, for tax years prior to tax year 2005, shall be paid to the Washburn
9 board and shall not be deposited in the state treasury.

10 New Sec. 7. (a) At the time of the transfer of control and supervision
11 of Washburn university to the state board of regents on July 1, 2005, the
12 board of regents of Washburn university of Topeka is hereby abolished
13 and there is hereby established the board of trustees for Washburn uni-
14 versity, which shall be referred to as the Washburn board in sections 1
15 through 10, and amendments thereto. Within the powers, duties and
16 functions prescribed by this act, the Washburn board is hereby declared
17 to be an agency of the state for all purposes under the Kansas tort claims
18 act and the members of the Washburn board are hereby declared to be
19 employees under the Kansas tort claims act of the Washburn board.

20 (b) The Washburn board shall be composed of nine members who
21 are residents of Kansas and appointed by the governor. Members ap-
22 pointed to the Washburn board are eligible for reappointment. Persons
23 serving as members of the board of regents of Washburn university of
24 Topeka on June 30, 2005, are eligible for appointment to the Washburn
25 board. All vacancies in office of members of the Washburn board shall
26 be filled by appointment by the governor for the remainder of the unex-
27 pired term of the member creating the vacancy.

28 (c) The members of the Washburn board shall serve for terms of four
29 years and until their respective successors have been appointed and qual-
30 ified, except that, of the members initially appointed for the terms com-
31 mencing on July 1, 2005, three shall serve for terms of three years, three
32 shall serve for terms of two years, and three shall serve for terms of one
33 year.

34 (d) The primary purpose of the Washburn board shall be to support
35 the educational undertakings of Washburn university. The Washburn
36 board shall have the right, power and authority to have a seal, to employ
37 such employees as are necessary for its functions, to sue and be sued and
38 all other powers and privileges as may be necessary for the discharge of
39 its duties and responsibilities for its functions, which are not in conflict
40 with this act or any other law. The Washburn board shall also have the
41 power and authority to use the proceeds of the tax levy provided for in
42 section 9, and amendments thereto, for purposes for the benefit of Wash-
43 burn university which shall include, but not be limited to, construction,

1 reconstruction or equipping of new or existing buildings or for any other
2 permanent improvements or for any operating expenditures. After July
3 1, 2005, the Washburn board shall also have the power and authority to
4 issue bonds as provided in section 9, and amendments thereto.

5 New Sec. 8. On July 1, 2005, the board of trustees of the Washburn
6 endowment association, a not-for-profit corporation organized and exist-
7 ing under the laws of Kansas, shall assume all of the rights, powers and
8 authority of, and shall be deemed to be the same legal entity as, the board
9 of regents of Washburn university of Topeka with respect to endowment
10 property of Washburn university of Topeka and shall succeed by opera-
11 tion of law to the ownership of all such endowment property and all such
12 endowment property is hereby transferred and conveyed thereto. The
13 board of trustees of the Washburn endowment association shall have the
14 right to hold, manage, lease, sell and receive properties, real and personal,
15 for the endowment or benefit of Washburn university.

16 New Sec. 9. (a) The governing body of the city of Topeka shall levy
17 an annual tax commencing with the tax year 2005 at the rate fixed by the
18 Washburn board of not to exceed 3.0 mills on all taxable tangible property
19 in such city. That portion of the amount constituting the proceeds of such
20 levy together with the proceeds of levies for prior years under K.S.A. 13-
21 13a23, and amendments thereto, as are required to retire and pay the
22 interest on bonds of Washburn university of Topeka approved or issued
23 and outstanding on or by July 1, 2005, or on bonds of the Washburn
24 board issued under this section and outstanding after July 1, 2005, shall
25 be paid by the county treasurer to the state treasurer and, upon receipt
26 of the same, the state treasurer shall credit the amount paid to the Wash-
27 burn university bond and interest sinking fund which is hereby created
28 in the state treasury and which shall be used by the state board of regents
29 for the purpose of retiring and paying the principal of and interest on all
30 such bonds.

31 (b) The Washburn board shall have the continuing right, power and
32 authority, by resolution and for the purposes approved by the state board
33 of regents, to issue bonds from time to time, for the purpose of acquiring
34 real estate, erecting buildings for Washburn university or additions to
35 present buildings of such university and the purchase of equipment for
36 such buildings and for refunding any indebtedness for Washburn univer-
37 sity. There shall not be outstanding at any one time an aggregate of bonds
38 issued under this section by the Washburn board in excess of 2% of the
39 assessed valuation of the taxable tangible property within the city of To-
40 peka. The bonds shall bear interest at a rate not exceeding the maximum
41 rate of interest prescribed by K.S.A. 10-1009, and amendments thereto,
42 and shall mature not later than 30 years from date of issuance. Payment
43 of bonds issued under this section by the Washburn board shall be made

1 by the state board of regents in accordance with subsection (a).

2 (c) If the proceeds of such levy in any year, together with funds avail-
3 able from previous levies, are insufficient to pay the principal of and
4 interest on all such bonds required to be paid in such year, the governing
5 body of the city of Topeka shall make such additional tax levy as may be
6 necessary to pay such interest and principal installments coming due in
7 such year in full. The proceeds of any such additional tax levy shall be
8 paid by the county treasurer to the state treasurer and shall be credited
9 by the state treasurer to the Washburn university bond and interest sink-
10 ing fund.

11 (d) The balance of any levies made under this section, if any, which
12 remains after the amount required to retire and pay the interest on all
13 such bonds is paid to the state treasurer shall be paid over to the Wash-
14 burn board and shall be used for such purposes authorized by section 7,
15 and amendments thereto, as may be determined by the Washburn board.

16 (e) The bonds described in this section shall not be considered in
17 applying any law limiting bonded indebtedness of the city of Topeka.

18 (f) On or before the 10th of each month, the director of accounts and
19 reports shall transfer from the state general fund to the Washburn uni-
20 versity bond and interest sinking fund interest earnings based on: (1) The
21 average daily balance of moneys in the Washburn university bond and
22 interest sinking fund during the preceding month; and (2) the net earn-
23 ings rate for the pooled money investment portfolio for the preceding
24 month.

25 New Sec. 10. (a) For the 2005-2006 academic year and for each ac-
26 ademic year thereafter, until such time as the state board of regents de-
27 termines that the rates of Kansas resident undergraduate tuition for other
28 state educational institutions are comparable to the rate of Kansas resi-
29 dent undergraduate tuition for Washburn university, the state board of
30 regents shall submit no budget requests for Washburn university which
31 increase or which are based on an increase in the rate of Kansas resident
32 undergraduate tuition for Washburn university.

33 (b) Subject to the other provisions of this section, the rates of tuition,
34 fees and charges fixed by the state board of regents under K.S.A. 76-719,
35 and amendments thereto, for Kansas resident undergraduates at Wash-
36 burn university shall be fixed, for academic year 2005-2006 and for aca-
37 demic years thereafter, at rates comparable to the corresponding rates
38 for Kansas resident undergraduates at other state educational institutions
39 and at rates which provide funding for a percentage of the Washburn
40 university budget that is comparable to the percentage of the budget
41 funded by tuition, fees and charges at the other state educational insti-
42 tutions under the control and supervision of the state board of regents.

43 Sec. 11. K.S.A. 41-719 is hereby amended to read as follows: 41-719.

1 (a) No person shall drink or consume alcoholic liquor on the public
2 streets, alleys, roads or highways or inside vehicles while on the public
3 streets, alleys, roads or highways.

4 (b) No person shall drink or consume alcoholic liquor on private
5 property except:

6 (1) On premises where the sale of liquor by the individual drink is
7 authorized by the club and drinking establishment act;

8 (2) upon private property by a person occupying such property as an
9 owner or lessee of an owner and by the guests of such person, if no charge
10 is made for the serving or mixing of any drink or drinks of alcoholic liquor
11 or for any substance mixed with any alcoholic liquor and if no sale of
12 alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto,
13 takes place;

14 (3) in a lodging room of any hotel, motel or boarding house by the
15 person occupying such room and by the guests of such person, if no
16 charge is made for the serving or mixing of any drink or drinks of alcoholic
17 liquor or for any substance mixed with any alcoholic liquor and if no sale
18 of alcoholic liquor in violation of K.S.A. 41-803, and amendments thereto,
19 takes place;

20 (4) in a private dining room of a hotel, motel or restaurant, if the
21 dining room is rented or made available on a special occasion to an in-
22 dividual or organization for a private party and if no sale of alcoholic liquor
23 in violation of K.S.A. 41-803, and amendments thereto, takes place; or

24 (5) on the premises of a microbrewery or farm winery, if authorized
25 by K.S.A. 41-308a or 41-308b, and amendments thereto.

26 (c) No person shall drink or consume alcoholic liquor on public prop-
27 erty except:

28 (1) On real property leased by a city to others under the provisions
29 of K.S.A. 12-1740 through 12-1749, and amendments thereto, if such real
30 property is actually being used for hotel or motel purposes or purposes
31 incidental thereto.

32 (2) In any state-owned or operated building or structure, and on the
33 surrounding premises, which is furnished to and occupied by any state
34 officer or employee as a residence.

35 (3) On premises licensed as a club or drinking establishment and
36 located on property owned or operated by an airport authority created
37 pursuant to chapter 27 of the Kansas Statutes Annotated or established
38 by a city having a population of more than 200,000.

39 (4) On the state fair grounds on the day of any race held thereon
40 pursuant to the Kansas parimutuel racing act.

41 (5) On the state fairgrounds, if such liquor is domestic wine or wine
42 imported under subsection (e) of K.S.A. 41-308a, and amendments
43 thereto, and is consumed only for purposes of judging competitions.

1 (6) In the state historical museum provided for by K.S.A. 76-2036,
2 and amendments thereto, on the surrounding premises and in any other
3 building on such premises, as authorized by rules and regulations of the
4 state historical society.

5 (7) On the premises of any state-owned historic site under the juris-
6 diction and supervision of the state historical society, on the surrounding
7 premises and in any other building on such premises, as authorized by
8 rules and regulations of the state historical society.

9 (8) In a lake resort within the meaning of K.S.A. 32-867, and amend-
10 ments thereto, on state-owned or leased property.

11 (9) In the Hiram Price Dillon house or on its surrounding premises,
12 subject to limitations established in policies adopted by the legislative
13 coordinating council, as provided by K.S.A. 75-3682, and amendments
14 thereto.

15 (10) On the premises of the Kansas national guard regional training
16 center located in Saline county, and any building on such premises, as
17 authorized by rules and regulations of the adjutant general and upon
18 approval of the Kansas military board.

19 (11) On property exempted from this subsection (c) pursuant to sub-
20 section (d), (e), (f), (g), (h) or (i).

21 (d) Any city may exempt, by ordinance, from the provisions of sub-
22 section (c) specified property the title of which is vested in such city.

23 (e) The board of county commissioners of any county may exempt,
24 by resolution, from the provisions of subsection (c) specified property the
25 title of which is vested in such county.

26 (f) The state board of regents may exempt from the provisions of
27 subsection (c) the Sternberg museum on the campus of Fort Hays state
28 university, or other specified property which is under the control of such
29 board and which is not used for classroom instruction, where alcoholic
30 liquor may be consumed in accordance with policies adopted by such
31 board.

32 (g) *Prior to July 1, 2005*, the board of regents of Washburn university
33 may exempt from the provisions of subsection (c) the Mulvane art center
34 and the Bradbury Thompson alumni center on the campus of Washburn
35 university, and other specified property the title of which is vested in such
36 board and which is not used for classroom instruction, where alcoholic
37 liquor may be consumed in accordance with policies adopted by such
38 board. *Any such exemption adopted prior to July 1, 2005, shall remain in*
39 *effect on and after such date, subject to the policies of the state board of*
40 *regents, and alcoholic liquor may be consumed on the specified property*
41 *and on and after July 1, 2005, in accordance with policies adopted by the*
42 *state board of regents.*

43 (h) Any city may exempt, by ordinance, from the provisions of sub-

1 section (c) any national guard armory in which such city has a leasehold
2 interest, if the Kansas military board consents to the exemption.

3 (i) The board of trustees of a community college may exempt from
4 the provisions of subsection (c) specified property which is under the
5 control of such board and which is not used for classroom instruction,
6 where alcoholic liquor may be consumed in accordance with policies
7 adopted by such board.

8 (j) Violation of any provision of this section is a misdemeanor punish-
9 able by a fine of not less than \$50 or more than \$200 or by imprisonment
10 for not more than six months, or both.

11 Sec. 12. K.S.A. 73-1217 is hereby amended to read as follows: 73-
12 1217. The board of trustees of every community ~~junior~~ college, the board
13 of regents of Washburn university of Topeka *during the period preceding*
14 *July 1, 2005*, the board of control of every area vocational school and the
15 governing body of every other institution of post-high school education
16 which is supported by any state moneys shall provide for enrollment with-
17 out charge of tuition or fees for any dependent of a prisoner of war or a
18 person missing in action, so long as such dependent is eligible, but not
19 to exceed ~~twelve (12)~~ 12 semesters of instruction or the equivalent thereof
20 at all such institutions for any person. Once a person qualifies as a de-
21 pendent under the terms and provisions of this act, no occurrence, such
22 as the return of the dependent's father or his reported death, shall dis-
23 qualify the dependent from the provisions or benefits of this act. The
24 state board of regents, the board of trustees of any community ~~junior~~
25 college, or the governing body of any other institution which grants tuition
26 for fees without charge to a dependent under this act may file a claim
27 with the Kansas ~~veterans'~~ commission *on veterans affairs* for reimburse-
28 ment of the amount of such tuition or fees. The Kansas ~~veterans'~~
29 commission *on veterans affairs* shall administer this act and qualifications of
30 persons as dependents shall be determined by such commission. Such
31 commission may adopt rules and regulations making more specific the
32 definitions herein contained and for the administration of this act.

33 Sec. 13. K.S.A. 73-1218 is hereby amended to read as follows: 73-
34 1218. (a) The state board of regents, the board of trustees of every com-
35 munity ~~junior~~ college, the board of regents of Washburn university of
36 Topeka *during the period preceding July 1, 2005*, the board of every area
37 vocational school, the board of control of every area vocational-technical
38 school and the governing body of every other institution of post-high
39 school education which is supported by any state moneys shall provide
40 for enrollment without charge of tuition or fees for any dependent of a
41 person who died as the result of a service-connected disability suffered
42 during the Vietnam conflict as a result of such conflict, so long as such
43 dependent is eligible, but not to exceed ~~twelve (12)~~ 12 semesters of in-

1 struction or the equivalent thereof at all such institutions for any person.
2 Once a person qualifies as a dependent under the terms and provisions
3 of this act, no occurrence, such as the return of the dependent's father
4 or mother, shall disqualify the dependent from the provisions or benefits
5 of this act. The governing body of every institution of post-high school
6 education which is supported by any state moneys and which grants tui-
7 tion or fees without charge to a dependent under this act may file a claim
8 with the Kansas ~~veterans'~~ commission *on veterans affairs* for reimburse-
9 ment of the amount of such tuition or fees. The Kansas veterans' com-
10 mission shall administer this act and the qualification of persons as de-
11 pendents shall be determined by such commission. Such commission may
12 adopt rules and regulations making more specific the definition herein
13 contained and for the administration of this act.

14 (b) "Dependent" as used in this act shall mean any child born to,
15 legally adopted by, or in the legal custody of a person who was a resident
16 of the state of Kansas at the time such person entered service of the
17 United States armed forces and who, while serving in said U. S. armed
18 forces in the geographical area of the Vietnam conflict, has been declared
19 to be a person who died as the result of a service-connected disability
20 suffered during the Vietnam conflict as a result of such conflict.

21 Sec. 14. K.S.A. 2001 Supp. 74-3209 is hereby amended to read as
22 follows: 74-3209. As used in this act:

23 (a) "Institution" means the university of Kansas, university of Kansas
24 medical center, Kansas state university of agriculture and applied science,
25 Wichita state university, Emporia state university, Pittsburg state univer-
26 sity, Fort Hays state university, and ~~Kansas state university Salina, college~~
27 ~~of technology, after June 30, 2005, Washburn university;~~

28 (b) "governing authority" means the state board of regents or the
29 chief executive officer of an institution if such officer has been designated
30 by the state board to act on its behalf in exercising the authority of the
31 board to care for, control, maintain and supervise all roads, streets, drive-
32 ways and parking facilities for vehicles on the grounds of the institution;
33 and

34 (c) "vehicle" means motor vehicle, motorized bicycle and bicycle.

35 Sec. 15. K.S.A. 74-3229 is hereby amended to read as follows: 74-
36 3229. (a) There is hereby established the students' advisory committee to
37 the state board of regents. ~~Prior to July 1, 1996, the students' advisory~~
38 ~~committee shall be composed of seven members who shall be the highest~~
39 ~~student executive officer elected by the entire student body at the uni-~~
40 ~~versity of Kansas, Kansas state university of agriculture and applied sci-~~
41 ~~ence, Emporia state university, Pittsburg state university, Fort Hays state~~
42 ~~university, Wichita state university, and Kansas state university Salina,~~
43 ~~college of technology. On and after July 1, 1996, The students' advisory~~

1 committee shall be composed of six members who ~~shall be~~ *are* the highest
2 student executive ~~officer~~ *officers* elected by the entire student body at
3 the university of Kansas, Kansas state university of agriculture and applied
4 science, Emporia state university, Pittsburg state university, Fort Hays
5 state university, and Wichita state university. *On and after July 1, 2005,*
6 *the students' advisory committee shall be composed of seven members who*
7 *are the highest student executive officers elected by the entire student body*
8 *at the university of Kansas, Kansas state university of agriculture and*
9 *applied science, Emporia state university, Pittsburg state university, Fort*
10 *Hays state university, Wichita state university and Washburn university.*

11 The chief executive officers of the state educational institutions under
12 the control and supervision of the state board of regents shall annually
13 certify to the state board the names of the student executive officers
14 elected to membership on the students' advisory committee and, upon
15 such certification, the student officers shall qualify for membership on
16 the committee. The members of the advisory committee shall serve for
17 terms expiring concurrently with their terms as elective student officers
18 and upon qualification of their successors.

19 (b) The students' advisory committee shall be notified of all meetings
20 of the state board of regents and shall have the following functions, pow-
21 ers and duties:

22 (1) Attend all meetings of the state board of regents except closed or
23 executive meetings held pursuant to the provisions of K.S.A. 75-4319,
24 and amendments thereto;

25 (2) make recommendations to the board of regents concerning course
26 and curriculum planning and faculty evaluation;

27 (3) advise and consult with the board of regents in the formulation
28 of policy decisions on student affairs;

29 (4) identify student concerns;

30 (5) consider any problems presented to it by the board of regents and
31 give advice thereon; and

32 (6) disseminate information to their peers concerning the philoso-
33 phies and standards of education developed by the board of regents and
34 stimulate awareness of student rights and responsibilities.

35 (c) Members of the students' advisory committee attending meetings
36 of the state board of regents shall receive no compensation for serving on
37 such advisory committee, but shall be paid subsistence allowances, mile-
38 age and other expenses as provided in K.S.A. 75-3223, and amendments
39 thereto, from moneys appropriated therefor to the state board of regents.

40 Sec. 16. K.S.A. 2001 Supp. 74-4925e is hereby amended to read as
41 follows: 74-4925e. ~~On and after the effective date of this act~~ *Subject to*
42 *the provisions of subsection (b) of section 5, and amendments thereto,* the
43 percentage amount to be contributed or provided by the state board of

1 regents under subsection (1)(c) or subsection (4) of K.S.A. 74-4925 and
2 amendments thereto shall be computed on the basis of 8.5% for payroll
3 ~~periods chargeable to the fiscal year ending June 30, 1994~~ *each payroll*
4 *period.*

5 Sec. 17. K.S.A. 75-2576 is hereby amended to read as follows: 75-
6 2576. As used in this act, unless the context otherwise requires:

7 (a) “Board” means the Kansas library network board created by this
8 act;

9 (b) “regional systems of cooperating libraries” means the regional sys-
10 tems of cooperating libraries created under authority of K.S.A. 75-2547
11 to 75-2552, inclusive, and amendments thereto;

12 (c) “systems librarians” means the chief officers of the regional sys-
13 tems of cooperating libraries;

14 (d) “public libraries” means libraries operated under the provisions
15 of K.S.A. 12-1215 to 12-1248, inclusive, and amendments thereto;

16 (e) “public librarians” means the chief officers of the public libraries;

17 (f) “state library” means the Kansas state library created and oper-
18 ating under authority of K.S.A. 75-2534, *and amendments thereto*;

19 (g) “state librarian” means the chief officer thereof, appointed pur-
20 suant to K.S.A. 75-2535, *and amendments thereto*;

21 (h) “regents’ librarians” means the chief officers of the libraries at
22 institutions operated by the Kansas state board of regents;

23 (i) “school librarians” means the chief officers of libraries operated
24 by unified school districts;

25 (j) “community college librarians” means chief officers of libraries
26 operated by community colleges established pursuant to K.S.A. 71-1401
27 through 71-1420, ~~inclusive~~, and amendments thereto;

28 (k) “private college librarians” means chief officers of libraries op-
29 erated by accredited independent institutions as defined in K.S.A. 72-
30 6107, *and amendments thereto*, and, *prior to July 1, 2005*, the chief officer
31 of the library operated by Washburn university of Topeka;

32 (l) “special librarians” means the chief officers of all other publicly
33 supported and private libraries, including special purpose libraries and
34 archives located in Kansas;

35 (m) “library network” means an organization of types of libraries in-
36 terconnected to achieve their common purposes through cooperative use
37 of communications, computer technology, library and human resources.

38 Sec. 18. K.S.A. 75-3731 is hereby amended to read as follows: 75-
39 3731. (a) Unless a claim is ordered paid by act of the legislature, the
40 director of accounts and reports may refuse to pay any account, bill, claim,
41 refund or demand on funds in the state treasury when the director de-
42 termines that it is not a valid obligation or was not incurred in accordance
43 with applicable laws and rules and regulations.

1 (b) Procedures for the processing of payrolls shall be prescribed by
2 the director of accounts and reports, subject to the approval of the sec-
3 retary of administration.

4 (c) The state treasurer shall transmit to the director of accounts and
5 reports copies of all receipt documents showing all receipts received by
6 the state treasurer. Such receipt documents shall be audited and exam-
7 ined by the director of accounts and reports.

8 (d) *The requirements of this section shall be subject to the provisions*
9 *of section 4, and amendments thereto, and compliance with operating*
10 *procedures and policies approved by the secretary of administration un-*
11 *der section 4, and amendments thereto, for Washburn university for the*
12 *fiscal year ending June 30, 2006, shall satisfy the requirements of this*
13 *section.*

14 Sec. 19. K.S.A. 75-3732 is hereby amended to read as follows: 75-
15 3732. (a) Subject to the provisions of K.S.A. 75-3731, and amendments
16 thereto, the director of accounts and reports shall provide for the payment
17 of accounts, bills, claims, funds and demands by issuing warrants drawn
18 on the state treasurer or as an alternative, permissive method in the case
19 of claims for salaries or wages, by utilizing procedures authorized by
20 K.S.A. 75-5540, and amendments thereto. Except as authorized by sub-
21 section (c) and (d), the director of accounts and reports shall sign and the
22 state treasurer shall cosign all such warrants for money before their de-
23 livery by the director of accounts and reports to the persons entitled
24 thereto. Forms for such warrants shall be prescribed by the director of
25 accounts and reports. The director of accounts and reports shall transmit
26 to the state treasurer a duplicate copy of the director's record of all war-
27 rants issued by the director.

28 (b) When the claim as shown to be due any individual payee on any
29 voucher submitted by an agency is less than \$5, no warrant shall be issued
30 except as approved by the director of accounts and reports. Claims for
31 amounts less than \$5 shall be paid by an agency from the agency's imprest
32 fund or petty cash fund under procedures prescribed by the director of
33 accounts and reports or as otherwise prescribed by the director.

34 (c) The director of accounts and reports may designate one or more
35 persons to sign, on behalf of the director of accounts and reports, warrants
36 which do not exceed \$5,000 for the payment of prizes to the holders of
37 valid winning lottery tickets or shares pursuant to K.S.A. 74-8712, and
38 amendments thereto.

39 (d) The secretary of administration and the state treasurer may agree,
40 in writing, to establish funds transfers pursuant to article 4a of chapter
41 84 of the Kansas Statutes Annotated for various categories of payments.
42 In addition to the paper warrants described in subsection (a), the term
43 warrant or state warrant as used in state law, shall also include payments

1 pursuant to any funds transfers authorized pursuant to this subsection.

2 (e) *The requirements of this section shall be subject to the provisions*
3 *of section 4, and amendments thereto, and compliance with operating*
4 *procedures and policies approved by the secretary of administration un-*
5 *der section 4, and amendments thereto, for Washburn university for the*
6 *fiscal year ending June 30, 2006, shall satisfy the requirements of this*
7 *section.*

8 Sec. 20. K.S.A. 2001 Supp. 75-3765 is hereby amended to read as
9 follows: 75-3765. (a) (1) The secretary of administration shall assign space
10 and facilities in all state-owned or operated property or buildings in Shaw-
11 nee county, Kansas, except the state capitol, Topeka correctional facility,
12 the Kansas neurological institute, the juvenile correctional facility at To-
13 peka, the employment security administrative office building, 401 Topeka
14 avenue, Kansas state employment service building, 1309 Topeka avenue,
15 state highway shops and laboratory ~~and~~, property of the Kansas national
16 guard *and, after June 30, 2005, campus property of Washburn university,*
17 *as defined by section 1, and amendments thereto,* for the use of the various
18 state agencies. The secretary may determine, fix and establish a system
19 of rental charges by the square foot and collect the same monthly for
20 space and facilities occupied by each state agency whenever any appro-
21 priation for rental for space and facilities is made therefor, in an amount
22 not to exceed the amount appropriated.

23 (2) The secretary of administration may assign space and facilities,
24 establish a system of rental charges and collect rents for property and
25 buildings owned or controlled by the department of administration in
26 other parts of the state.

27 (3) The amounts collected under paragraphs (1) and (2) shall be re-
28 mitted by the secretary of administration to the state treasurer in accord-
29 ance with the provisions of K.S.A. 75-4215, and amendments thereto.
30 Upon receipt of each such remittance, the state treasurer shall deposit
31 the entire amount in the state treasury to the credit of the state buildings
32 operating fund or other funds of the department of administration as
33 prescribed by the secretary of administration.

34 (4) On or before December 31 of each year, the secretary of admin-
35 istration shall present a report to the joint committee on state building
36 construction concerning any actions taken by the secretary pursuant to
37 authority granted to the secretary under this subsection. The report shall
38 describe the action taken and the statutory authority authorizing such
39 action.

40 (b) The secretary of administration shall require five-year building
41 space utilization plans from all state agencies and develop a database of
42 all state-owned or leased building and storage space. This database shall
43 serve as the central repository of state-owned or leased building and stor-

1 age space information. All changes made in the ownership or leasing
2 status of all building space utilized by state agencies shall be reported to
3 the secretary of administration and entered into this database. The da-
4 tabase shall include the actual and budgeted amount of money paid by
5 state agencies for building and storage space. The database may include
6 any other information related to the building space needs of the state as
7 determined to be necessary by the secretary of administration.

8 All state agencies shall cooperate with requests for information con-
9 cerning building space and storage space made by the secretary of ad-
10 ministration or the secretary of administration's designee.

11 On or before December 31 of each year, the secretary of administration
12 shall present a report of state-owned or leased building and storage space
13 information to the joint committee on state building construction and
14 shall provide notice at the same time to the secretary of the senate and
15 to the chief clerk of the house of representatives that such report is avail-
16 able to members of the legislature.

17 (c) As used in this section, "state agencies" also shall include any
18 quasi-state agency.

19 Sec. 21. K.S.A. 75-4101 is hereby amended to read as follows: 75-
20 4101. (a) There is hereby created a committee on surety bonds and in-
21 surance, which shall consist of the state treasurer, the attorney general
22 and the commissioner of insurance or their respective designees. The
23 commissioner of insurance shall be the chairperson of the committee and
24 the director of purchases or the director's designee shall be ex officio
25 secretary. The committee shall meet on call of the chairperson and at
26 such other times as the committee shall determine but at least once each
27 month on the second Monday in each month. Meetings shall be held in
28 the office of the commissioner of insurance. The members of the com-
29 mittee shall serve without compensation. The secretary shall be the cus-
30 todian of all property, records and proceedings of the committee. Except
31 as provided in subsections (b) and (c) ~~and~~, in K.S.A. 74-4925 and 74-4927,
32 and amendments thereto, ~~and~~ in K.S.A. 75-6501 to 75-6511, inclusive,
33 and amendments thereto, ~~and~~ in K.S.A. 76-749, and amendments thereto,
34 *and in section 4, and amendments thereto*, no state agency shall purchase
35 any insurance of any kind or nature or any surety bonds upon state officers
36 or employees, except as provided in this act. Except as otherwise provided
37 in this section *or in section 5, and amendments thereto*, health care cov-
38 erage and health care services of a health maintenance organization for
39 state officers and employees designated under subsection (c) of K.S.A.
40 75-6501, and amendments thereto, shall be provided in accordance with
41 the provisions of K.S.A. 75-6501 to 75-6511, inclusive, and amendments
42 thereto.

43 (b) The Kansas turnpike authority may purchase group life, health

1 and accident insurance or health care services of a health maintenance
2 organization for its employees or members of the highway patrol assigned,
3 by contract or agreement entered pursuant to K.S.A. 68-2025, and
4 amendments thereto, to police toll or turnpike facilities, independent of
5 the committee on surety bonds and insurance and of the provisions of
6 K.S.A. 75-6501 to 75-6511, inclusive, and amendments thereto. Such au-
7 thority may purchase liability insurance covering all or any part of its
8 operations and may purchase liability and related insurance upon all ve-
9 hicles owned or operated by the authority independent of the committee
10 on surety bonds and insurance and such insurance may be purchased
11 without complying with K.S.A. 75-3738 to 75-3744, inclusive, and amend-
12 ments thereto. Any board of county commissioners may purchase such
13 insurance or health care services, independent of such committee, for
14 district court officers and employees any part of whose total salary is
15 payable by the county. Nothing in any other provision of the laws of this
16 state shall be construed as prohibiting members of the highway patrol so
17 assigned to police toll or turnpike facilities from receiving compensation
18 in the form of insurance or health maintenance organization coverage as
19 herein authorized.

20 (c) The agencies of the state sponsoring a foster grandparent or senior
21 companion program, or both, shall procure a policy of accident, personal
22 liability and excess automobile liability insurance insuring volunteers par-
23 ticipating in such programs against loss in accordance with specifications
24 of federal grant guidelines. Such agencies may purchase such policy of
25 insurance independent of the committee on surety bonds and insurance
26 and without complying with K.S.A. 75-3738 to 75-3744, inclusive, and
27 amendments thereto.

28 Sec. 22. K.S.A. 75-5501 is hereby amended to read as follows: 75-
29 5501. (a) The director of accounts and reports shall formulate a system
30 of payroll accounting, including timekeeping, payroll calculation and pay
31 distribution (delivery) and labor cost distribution and analysis, and shall
32 install and operate such system of payroll accounting for all state agencies.
33 The system shall include provision for centralized records, which shall
34 include payroll data for all individuals which with the common law em-
35 ployer-employee relationship is created by agencies of the state of Kansas
36 and which shall be coordinated with records maintained by the division
37 of personnel services and other state agencies. If biweekly payroll periods
38 are established under K.S.A. 75-5501a, *and amendments thereto*, the sys-
39 tem of payroll accounting shall be modified to implement such biweekly
40 payroll periods. State agencies shall utilize the system of payroll account-
41 ing to the extent prescribed by the director of accounts and reports, and
42 shall submit such reports and statements as may be required by the di-
43 rector in order to carry out the provisions of this act. The director of

1 accounts and reports shall design, revise and direct the use of records and
2 procedures and prescribe classifications of coding payroll data, methods
3 of funding labor cost through the central payroll account and a system of
4 prepayment and postpayment debit and credit transactions and entries
5 on the records created from payroll data and the necessary forms to be
6 used by all state agencies in connection with such system of payroll ac-
7 counting. The payroll system so designed shall include generally accepted
8 accounting principles of internal check, and may include timekeeping for
9 attendance and performance, as prescribed in this act.

10 (b) The director of accounts and reports shall provide, as a part of
11 the system of payroll accounting, a plan for the deduction from the salary
12 or wages of an amount equal to regular membership dues for state officers
13 and employees who are members of the Kansas troopers association or
14 who are in any employee organization which has filed an annual report
15 pursuant to K.S.A. 75-4337, *and amendments thereto*, or which has a
16 business agent registered pursuant to K.S.A. 75-4336, *and amendments*
17 *thereto*. Such plan, in addition to such provisions as are negotiated by the
18 director of accounts and reports and the employee organization, shall
19 provide for:

20 (1) A written authorization-assignment by a state officer or employee
21 prior to any dues deduction from the salary or wages of such officer or
22 employee, which authorization-assignment shall remain effective for not
23 less than 180 days and shall be terminated at any time thereafter upon
24 30 days' prior notice by the state officer or employee of termination of
25 the authorization-assignment;

26 (2) change in the amount of regular membership dues to be de-
27 ducted, but not more often than twice in any fiscal year;

28 (3) renewal of an authorization-assignment by an officer or employee
29 after termination of a prior authorization-assignment upon 90 days' prior
30 notice by the officer or employee who has terminated a membership dues
31 deduction; and

32 (4) payment of all moneys deducted each payroll period pursuant to
33 this section to the employee organization less the amount of actual direct
34 expenses incurred by this state for the membership dues deduction.

35 (c) *The requirements of this section and the system of payroll ac-*
36 *counting shall be subject to the provisions of section 4, and amendments*
37 *thereto, and compliance with operating procedures and policies approved*
38 *by the secretary of administration under section 4, and amendments*
39 *thereto, for Washburn university for the fiscal year ending June 30, 2005,*
40 *shall satisfy the requirements of this section and the system of payroll*
41 *accounting.*

42 Sec. 23. K.S.A. 2001 Supp. 76-156a is hereby amended to read as
43 follows: 76-156a. The Kansas university endowment association is hereby

1 authorized to act as the investing agent for any endowment or bequest to
2 the university of Kansas. The Kansas state university foundation is hereby
3 authorized to act as the investing agent for any endowment or bequest to
4 Kansas state university of agriculture and applied science or to Kansas
5 state universitySalina, college of technology. The Wichita state university
6 foundation is hereby authorized to act as the investing agent for any en-
7 dowment or bequest to Wichita state university. The Fort Hays Kansas
8 state university endowment association is hereby authorized to act as the
9 investing agent for any endowment or bequest to Fort Hays state uni-
10 versity. The Emporia state university foundation, inc., is hereby author-
11 ized to act as the investing agent for any endowment or bequest to Em-
12 poria state university. The Pittsburg state university foundation, inc., is
13 hereby authorized to act as the investing agent for any endowment or
14 bequest to Pittsburg state university. *On and after July 1, 2005, the Wash-*
15 *burn endowment association is hereby authorized to act as the investing*
16 *agent for any endowment or bequest to Washburn university.*

17 Any such investing agent may exercise such fiscal management and
18 administrative powers as may be necessary or appropriate for the lawful
19 and efficient management of any such endowment or bequest. Each in-
20 vesting agent is hereby authorized to execute any agreements or other
21 legal papers appropriate to the accomplishment of the purposes of this
22 act with respect to any such endowment or bequest.

23 Sec. 24. K.S.A. 76-6a01 is hereby amended to read as follows: 76-
24 6a01. As used in this act, unless the context otherwise requires:

25 (a) "Board" means the state board of regents.

26 (b) "Institution" or "institutions" means and includes the university
27 of Kansas, university of Kansas school of medicine, Kansas state university
28 of agriculture and applied science, Wichita state university, Emporia state
29 university, Fort Hays state university, ~~and~~ Pittsburg state university, *and,*
30 *after June 30, 2005, Washburn university,* together with all other state
31 institutions of learning now or hereafter under the control and supervision
32 of the board.

33 (c) "Student union building" means a building and related parking
34 area constructed for, and used solely as, a recreational center for students,
35 boarding students and other purposes incidental thereto.

36 (d) "Student dormitory" means a building erected for, and used solely
37 as, a place for housing and boarding students and other purposes inci-
38 dental thereto.

39 Sec. 25. K.S.A. 76-711 is hereby amended to read as follows: 76-711.
40 As used in this act, unless the context otherwise requires:

41 (a) "State educational institution" means the university of Kansas,
42 Kansas state university of agriculture and applied science, Wichita state
43 university, Emporia state university, Pittsburg state university, ~~and~~ Fort

1 Hays state university, *and, after June 30, 2005, Washburn university.*

2 (b) “Board of regents” means the state board of regents provided for
3 in the constitution of this state and described in article 32 of chapter 74
4 of the Kansas Statutes Annotated and amendments thereto.

5 Sec. 26. K.S.A. 76-719 is hereby amended to read as follows: 76-719.
6 Subject to K.S.A. 76-742 *and section 10, and amendments thereto*, the
7 board of regents shall fix tuition, fees and charges to be collected by each
8 state educational institution. If a state educational institution collects a
9 student-activity fee, the funds so collected shall be set apart and used for
10 the purpose of supporting appropriate student activities.

11 Sec. 27. K.S.A. 76-751 is hereby amended to read as follows: 76-751.
12 As used in this act, “state educational institution” means Fort Hays state
13 university, Kansas state university of agriculture and applied science, Kan-
14 sas state university veterinary medical center, Emporia state university,
15 Pittsburg state university, university of Kansas, university of Kansas med-
16 ical center, Wichita state university, and ~~Kansas state university-Salina,~~
17 ~~college of technology,~~ *after June 30, 2005, Washburn university.*

18 Sec. 28. K.S.A. 76-754 is hereby amended to read as follows: 76-754.
19 As used in this act, “state educational institution” means Fort Hays state
20 university, Kansas state university of agriculture and applied science, Kan-
21 sas state university veterinary medical center, Emporia state university,
22 Pittsburg state university, university of Kansas, university of Kansas med-
23 ical center, Wichita state university, and ~~Kansas state university-Salina,~~
24 ~~college of technology,~~ *after June 30, 2005, Washburn university.*

25 Sec. 29. K.S.A. 2001 Supp. 76-756 is hereby amended to read as
26 follows: 76-756. As used in this act:

27 (a) “State educational institution” means Fort Hays state university,
28 Kansas state university of agriculture and applied science, Kansas state
29 university veterinary medical center, Emporia state university, Pittsburg
30 state university, university of Kansas, university of Kansas medical center,
31 Wichita state university and ~~Kansas state university, college of technology~~
32 ~~at Salina,~~ *after June 30, 2005, Washburn university.*

33 (b) “Endowment association” means:

34 (1) For ~~the~~ Fort Hays state university, the Fort Hays state university
35 endowment association;

36 (2) for ~~the~~ Kansas state university of agriculture and applied science,
37 *and* the Kansas state university veterinary medical center, ~~and the Kansas~~
38 ~~state university-Salina, college of technology,~~ the Kansas state university
39 foundation;

40 (3) for ~~the~~ Emporia state university, the Emporia state university
41 foundation;

42 (4) for ~~the~~ Pittsburg state university, the Pittsburg state university
43 foundation;

1 (5) for the university of Kansas and the university of Kansas medical
2 center, the Kansas university endowment association; ~~and~~

3 (6) for ~~the~~ Wichita state university, the Wichita state university board
4 of trustees and the Wichita state university foundation; *and*

5 (7) *on and after July 1, 2005, for Washburn university, the board of*
6 *trustees established by section 7, and amendments thereto, for Washburn*
7 *university and the Washburn endowment association.*

8 Sec. 30. K.S.A. 79-2961 is hereby amended to read as follows: 79-
9 2961. (a) The county clerk shall certify to the county treasurer when
10 budgets are made pursuant to K.S.A. 79-2960 and amendments thereto
11 and tax levies are filed with the county clerk. Prior to crediting the proper
12 amounts under subsection (c) ~~and except as provided in subsection (d),~~
13 the county treasurer shall divide the amount paid by the state treasurer
14 to the county treasurer among the county and all other taxing subdivisions
15 of the county except school districts and any incorporated city within
16 which any portion of the Fort Riley military reservation is located and
17 which would otherwise be a participant in the Riley county allocation,
18 which comply with the requirements of this act, in the proportion that
19 the product of the last preceding total tangible tax rate of each subdivi-
20 sion, times its equalized tangible assessed valuation for the preceding
21 year, is to the sum of such products of all the tangible tax-levying political
22 subdivisions, except school districts and any incorporated city within
23 which any portion of the Fort Riley military reservation is located and
24 which would otherwise be a participant in the Riley county allocation,
25 exclusive of the levy by the county for any deficiency for state purposes.

26 (b) No political subdivision shall be entitled to participate in the dis-
27 tribution of any money appropriated to carry out K.S.A. 79-2960, and
28 amendments thereto, and this section unless and until such political sub-
29 division has adopted and certified a budget for the ensuing year which
30 shows as a separate item the amount of the distribution to one or more
31 tax levy funds of general application within such subdivision except bond
32 and interest funds and has certified a tax levy for each such fund that will
33 produce a sum of money less than the amount which a maximum levy
34 would produce for each such fund, in an amount equal to or in excess of
35 the amount of such distribution. The budget of each political subdivision
36 also shall show that the aggregate levies made by such tangible property
37 tax-levying political subdivisions will produce a sum less than the amount
38 which the aggregate levy would produce in an amount equal to or in
39 excess of the aggregate amount of the budget items of such distribution
40 shown in the aggregate levy.

41 (c) In crediting the amount that has been divided pursuant to sub-
42 section (a) ~~or subsection (d),~~ the county treasurer shall proceed as follows:
43 Upon receipt of the payment from the state treasurer each year, credit

1 the appropriate fund or funds of each political subdivision complying with
2 the provisions of this act with its proportionate share of such payment
3 and the county treasurer shall notify such political subdivision of the
4 amounts so credited.

5 (d) This section and K.S.A. 79-2960, and amendments thereto, shall
6 not apply to school districts. ~~(d) The amount paid by the state treasurer
7 to the county treasurer of each county under subsection (d) of K.S.A. 79-
8 2959 and amendments thereto, shall be divided only among the one or
9 more community colleges or municipal universities, or both, which re-
10 ceived amounts under this section from the payment made from the local
11 ad valorem tax reduction fund on January 15, 1983. The amount received
12 by each such community college or municipal university under this sub-
13 section shall bear the same proportion to the total amount paid to such
14 county under subsection (d) of K.S.A. 79-2959 and amendments thereto,
15 as the amount received by such community college or municipal univer-
16 sity under this section from the payment made to such county from the
17 local ad valorem tax reduction fund on January 15, 1983, bears to the
18 total amount received by all such community colleges and municipal uni-
19 versities under this section from such payment. After June 30, 2005, this
20 section and K.S.A. 79-2960, and amendments thereto, shall not apply to
21 the Washburn university of Topeka or to the Washburn university or to
22 the board of trustees established by section 8, and amendments thereto,
23 for Washburn university and no amounts shall be credited or distributed
24 to or on behalf of any such entity or any successor thereto for purposes
25 of any distributions to political subdivisions under this section after June
26 30, 2005. All moneys that would have been credited or distributed pur-
27 suant to this section to Washburn university of Topeka, or any other such
28 entity or any successor thereto, from the local ad valorem tax reduction
29 fund distribution to the Shawnee county treasurer on July 15, 2005, shall
30 be credited to the appropriate fund or funds of all other political subdi-
31 visions of Shawnee county.~~

32 New Sec. 31. (a) For any tax year after tax year 2004, except as pro-
33 vided by this section, the board of trustees of a community college shall
34 not certify or levy any ad valorem property tax levy under any statute and
35 the board of county commissioners of any county shall not levy any ad
36 valorem property tax levy for a community college under any statute for
37 any purpose other than for (1) debt service on bonded debt of the com-
38 munity college authorized by law, or (2) a levy authorized by subsection
39 (c) of K.S.A. 71-201, and amendments thereto, K.S.A. 71-501, and
40 amendments thereto, K.S.A. 71-617, and amendments thereto, or K.S.A.
41 72-4424, and amendments thereto.

42 (b) For any tax year after tax year 2004, except as provided by this
43 section, the board of trustees of Washburn university of Topeka shall not

1 certify or levy any ad valorem property tax levy under any statute for any
2 purpose other than for (1) debt service on bonded debt of the Washburn
3 university of Topeka authorized by law, or (2) the levy authorized by
4 section 9, and amendments thereto. The governing body of the city of
5 Topeka and the board of county commissioners of Shawnee county shall
6 not certify or levy any ad valorem property tax levy for Washburn uni-
7 versity of Topeka or Washburn university other than for (1) debt service
8 on bonded debt of the Washburn university of Topeka or Washburn uni-
9 versity or (2) the levy authorized by section 9, and amendments thereto.

10 (c) The board of trustees of each community college shall prepare
11 and submit to the state board of regents budget estimates for maintenance
12 and operations of the community college for the fiscal year ending June
13 30, 2005, and for each fiscal year thereafter, in the manner and at such
14 time as may be required by the state board of regents, and shall include
15 in such budget estimates the amounts required to replace the revenues
16 for maintenance and operations that would have been provided by ad
17 valorem property taxes as authorized by law for previous fiscal periods.
18 The board of regents of Washburn university of Topeka shall prepare and
19 submit a budget estimate for the fiscal year ending June 30, 2005, to the
20 state board of regents, in the manner and at such time as may be required
21 by the state board of regents, and shall include in such budget estimate
22 the amounts required to replace the revenues for maintenance and op-
23 erations that would have been provided by ad valorem property taxes or
24 sales and compensating use taxes as authorized by law for previous fiscal
25 periods.

26 (d) The state board of regents shall prepare and submit budget es-
27 timates in accordance with K.S.A. 75-3717, and amendments thereto, for
28 the fiscal year ending June 30, 2005, and for each fiscal year thereafter,
29 which shall include (1) amounts to provide revenues to replace the
30 amounts of revenues that were provided to community colleges for main-
31 tenance and operations by ad valorem property taxes authorized by law
32 for previous fiscal periods, and (2) amounts to provide revenues to replace
33 the amounts of revenues that were provided to Washburn university for
34 maintenance and operations by ad valorem property taxes or by sales and
35 compensating use taxes authorized by law for previous fiscal periods.

36 Sec. 32. K.S.A. 13-13a38 is hereby amended to read as follows: 13-
37 13a38. (a) The board of regents of Washburn University of Topeka may
38 adopt a resolution imposing a countywide retailers' sales tax within Shaw-
39 nee county. Such resolution shall be published once each week for two
40 consecutive weeks in the Shawnee county official newspaper. The rate of
41 any such tax shall not exceed .65%. Such university is prohibited from
42 administering or collecting such tax locally, but shall utilize the services
43 of the state department of revenue to administer, enforce and collect such

1 tax. Except as otherwise provided by K.S.A. 13-13a39, and amendments
2 thereto, such tax shall be identical in its application and exemptions there-
3 from to the Kansas retailers' sales tax act, and all laws and rules and
4 regulations of the state department of revenue relating to the Kansas
5 retailers' sales tax act shall apply to such tax insofar as the same may be
6 made applicable. *On January 1, 2004, the rate of the tax imposed under*
7 *this section is hereby reduced to the rate equal to $\frac{2}{3}$ of the rate in effect*
8 *on December 31, 2003. On January 1, 2005, the rate of the tax imposed*
9 *under this section is hereby reduced to the rate equal to $\frac{1}{2}$ of the rate in*
10 *effective on December 31, 2004. No tax shall be imposed under this section*
11 *after December 31, 2005.*

12 (b) The secretary of revenue is authorized to administer, enforce and
13 collect the university's retailers' sales tax and to adopt such rules and
14 regulations necessary for the efficient and effective administration, en-
15 forcement and collection thereof. The state director of taxation shall cause
16 such taxes to be collected within the boundaries of Shawnee county at
17 the same time and in the same manner provided for the collection of the
18 state retailers' sales tax. All moneys collected by the director of taxation
19 pursuant to the provisions of this section shall be remitted to the state
20 treasurer in accordance with the provisions of K.S.A. 75-4215, and
21 amendments thereto. Upon receipt of each such remittance, the state
22 treasurer shall deposit the entire amount in the state treasury to the credit
23 of the Washburn University of Topeka retailers' sales tax fund, which fund
24 is hereby established in the state treasury. Any refund due on any tax
25 collected pursuant to this section shall be paid out of the sales tax refund
26 fund and reimbursement to such fund shall be made by the director of
27 taxation from collections of the university's sales tax revenue. All moneys
28 collected pursuant to this section for such university shall be remitted at
29 least quarterly by the state treasurer to the treasurer of such university.

30 (c) All revenue received by Washburn University of Topeka from its
31 retailers' sales tax shall be used solely for the purpose of financing its
32 operations regarding all support activities described by K.S.A. 13-13a18,
33 and amendments thereto.

34 (d) If within 30 days of the final publication of a resolution adopted
35 pursuant to subsection (a), a petition signed by a number of electors of
36 the county equal to not less than 5% of the number of qualified electors
37 of the county shall be filed in the office of the county election officer
38 demanding that such resolution be submitted to a vote of the electors, it
39 shall not take effect until submitted to a referendum and approved by
40 the electors. An election if called, shall be called within 30 days and held
41 within 45 days after the filing of the petition. The board, by resolution,
42 shall call the election and fix the date. Such resolution shall be published
43 once each week for two consecutive weeks in the official county news-

1 paper, and the election shall be conducted in the same manner as are
2 elections for officers of such county. Such election may be conducted in
3 accordance with the provisions of the mail ballot election act. The prop-
4 osition shall be: "Shall Washburn University of Topeka be authorized to
5 impose a countywide sales tax not to exceed .65% in Shawnee county for
6 purposes of eliminating 15 mills of ad valorem property taxes now levied
7 by the university and eliminating the payment of out-district tuition by
8 the townships within Shawnee county to the university?"

9 (e) The provisions of K.S.A. 12-191 and 12-191a, and amendments
10 thereto, insofar as may be made applicable, shall apply to sales subject to
11 the tax imposed pursuant to this section.

12 Sec. 33. K.S.A. 2001 Supp. 71-204 is hereby amended to read as
13 follows: 71-204. (a) For the purpose of community college maintenance
14 and operation, the board of trustees is authorized to levy a tax on the
15 taxable tangible property of the community college district *for tax years*
16 *prior to 2005.*

17 Such tax levy shall be the amount determined by the board of trustees
18 to be sufficient to finance that part of the budget of the community col-
19 lege which is not financed from any other source provided by law. The
20 budget of the community college shall be prepared and adopted as pro-
21 vided by law, and the tax levy therefor shall be certified to the county
22 clerk of every county a part of the territory of which is in the community
23 college district.

24 (b) The tax levy authorized by subsection (a) shall be reduced (1) in
25 the 2001 fiscal year by an amount equal to 80% of the amount of the
26 difference between the amount of state aid received by the community
27 college in the 2000 fiscal year less an amount equal to 25% of the amount
28 of out-district tuition received by the community college in such fiscal
29 year and the amount of the state grant to which the community college
30 is entitled in the 2001 fiscal year and (2) in fiscal years 2002, 2003 and
31 2004 by an amount equal to 80% of the amount of the difference between
32 the amount of the state grant received by the community college in the
33 preceding fiscal year less an amount equal to 25% of the amount of out-
34 district tuition received by the community college in the 2000 fiscal year
35 and the amount of the state grant to which the community college is
36 entitled in the current fiscal year ~~and (3) in each fiscal year after the 2004~~
37 ~~fiscal year by an amount equal to 80% of the amount of the difference~~
38 ~~between the amount of the state grant received by the community college~~
39 ~~in the preceding fiscal year and the amount of the state grant to which~~
40 ~~the community college is entitled in the current fiscal year. No tax au-~~
41 ~~thorized by this section shall be imposed for any tax year after tax year~~
42 ~~2004.~~

43

1 Sec. 34.

2 STATE BOARD OF REGENTS

3 (a) There is appropriated for the above agency from the state general
4 fund for the fiscal year or years specified, the following:

5	Community college property tax reduction	
6	For the fiscal year ending June 30, 2004.....	\$82,015,632
7	For the fiscal year ending June 30, 2005.....	\$84,476,101
8	Municipal university sales tax reduction	
9	For the fiscal year ending June 30, 2004.....	\$5,800,000
10	For the fiscal year ending June 30, 2005.....	\$11,600,000

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

13 (c) This act shall not be subject to the provisions of subsection (a) of
14 K.S.A. 75-6702 and amendments thereto.

15 Sec. 35. K.S.A. 13-13a38, 41-719, 73-1217, 73-1218, 74-3229, 75-
16 2576, 75-3731, 75-3732, 75-4101, 75-5501, 76-6a01, 76-711, 76-719, 76-
17 751, 76-754 and 79-2961 and K.S.A. 2001 Supp. 71-204, 74-3209, 74-
18 4925e, 75-3765, 76-156a and 76-756 are hereby repealed.

19 Sec. 36. On July 1, 2005, K.S.A. 13-13a03, 13-13a04, 13-13a05, 13-
20 13a06, 13-13a08, 13-13a09, 13-13a11, 13-13a12, 13-13a13, 13-13a14, 13-
21 13a16, 13-13a17, 13-13a18, 13-13a19, 13-13a20, 13-13a20a, 13-13a21, 13-
22 13a23, 13-13a24, 13-13a35, 13-13a36, 13-13a37, 13-13a38, as amended
23 by section 31 of this act, 13-13a39 and 72-6507 and K.S.A. 2001 Supp.
24 72-6501, 72-6503, 72-6504, 72-6506, 72-6508, 72-6509 and 72-6525 are
25 hereby repealed.

26 Sec. 37. This act shall take effect and be in force from and after its
27 publication in the statute book.

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