

## HOUSE BILL No. 2021

By Legislative Educational Planning Committee

12-28

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9 AN ACT concerning state educational institutions under the control and  
10 supervision of the state board of regents; relating to interest earnings  
11 on moneys in certain special revenue funds; amending K.S.A. 74-3213,  
12 74-5619, 74-5620, 76-6b02, 76-719, 76-753 and 76-755 and K.S.A.  
13 2004 Supp. 76-326b, 76-327c, 76-385 and 76-762 and repealing the  
14 existing sections.  
15

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

17 New Section 1. (a) On or before the 10th day of each month, the  
18 director of accounts and reports shall transfer from the state general fund  
19 to each special revenue fund of each state educational institution, interest  
20 earnings based on:

21 (1) The average daily balance of moneys in the special revenue fund  
22 for the preceding month; and

23 (2) the net earnings rate of the pooled money investment portfolio  
24 for the preceding month.

25 (b) As used in this section, “state educational institution” has the  
26 meanings respectively ascribed thereto by K.S.A. 74-3201b and amend-  
27 ments thereto and “special revenue fund” means:

28 (1) In the case of Fort Hays state university, “special revenue fund”  
29 means the: (A) Education opportunity act — federal fund; (B) com-  
30 mencement fees fund; (C) health fees fund; (D) student union fees fund;  
31 (E) Kansas career work study program fund; (F) economic opportunity  
32 act — federal fund; (G) oil research library gifts and grants fund; (H)  
33 federal Perkins student loan fund; (I) institutional overhead fund; and (J)  
34 oil and gas royalties fund;

35 (2) in the case of Kansas state university, “special revenue fund”  
36 means the: (A) Interest on endowment fund; (B) Kansas career work  
37 study program fund; (C) coliseum gifts fund; (D) student health fees fund;  
38 (E) scholarship funds fund; (F) Perkins student loan fund; (G) engineer-  
39 ing and education gift fund; (H) U.S. army research grant — metal par-  
40 ticle chemistry fund; (I) board of regents — U.S. department of education  
41 awards fund; (J) state agricultural university fund; (K) Salina — student  
42 union fees fund; (L) Salina — dormitory and food service fees fund; (M)  
43 temporary deposit fund; (N) suspense fund; (O) grants and gifts fund; (P)

1 housing system operation utility reserve fund; (Q) coliseum repair, equip-  
2 ment and improvement fund; (R) student recreation building repair and  
3 improvement fund; (S) KSU recreation complex depreciation/repair fund;  
4 (T) engineering complex phase II gift fund; and (U) Ackert hall gift fund;  
5 (3) in the case of Kansas state university extension systems and ag-  
6 riculture research programs, “special revenue fund” means the: (A) Fer-  
7 tilizer research fund; (B) federal extension fund; (C) federal experimental  
8 station fund; (D) federal awards — advance payment fund; (E) Smith-  
9 Lever special program grant — federal fund; (F) Kansas artificial breed-  
10 ing service unit fees fund; (G) agricultural land use-value fund; and (H)  
11 irrigation research field grant fund;  
12 (4) in the case of Kansas state university veterinary medical center,  
13 “special revenue fund” means the: (A) Hospital and diagnostic laboratory  
14 revenue fund; (B) hospital and diagnostic laboratory improvement fund;  
15 (C) health professions student loan fund; (D) H.E.W. veterinary revolving  
16 student loan fund; (E) student loan funds fund; and (F) suspense fund;  
17 (5) in the case of Emporia state university, “special revenue fund”  
18 means the: (A) Interest on state normal school fund fund; (B) commence-  
19 ment fees fund; (C) Kansas career work study program fund; (D) student  
20 health fees fund; (E) bureau of educational measurements fund; (F) ec-  
21 onomic opportunity act — work study — federal fund; (G) educational  
22 opportunity grants — federal fund; (H) basic opportunity grant program  
23 — federal fund; (I) research and institutional overhead fund; (J) twin  
24 towers bond and interest sinking fund; (K) twin towers maintenance and  
25 equipment reserve fund; (L) student union refurbishing fund; (M) stu-  
26 dent union bond and interest sinking fund; (N) student union addition  
27 bond and interest sinking fund; (O) residence hall project — K DFA Ref.  
28 2001 G-3 P & I fund; (P) K DFA bond 2001B student rec facility revenue  
29 fund; (Q) K DFA bond 2001B student rec facility project fund; (R) Me-  
30 morial union principal and interest — K DFA E bonds, 1989 fund; (S)  
31 K DFA bonds — series I-93 residence hall depr/repl fund; (T) Memorial  
32 union bond reserve — K DFA E bonds, 1989 fund; (U) Memorial union  
33 rebate fund — K DFA E bonds, 1989; (V) Memorial union surplus fund  
34 — K DFA E bonds, 1989; (W) K DFA bonds — series I-93 residence hall  
35 surplus fund; and (X) street and parking improvement surplus — K DFA  
36 C bd, 1990 fund;  
37 (6) in the case of Pittsburg state university, “special revenue fund”  
38 means the: (A) Hospital and student health fees fund; (B) Perkins student  
39 loan fund; (C) college work study fund; and (D) nursing student loan  
40 fund;  
41 (7) in the case of the university of Kansas, “special revenue fund”  
42 means the: (A) Regents center development fund; (B) interest fund; (C)  
43 law enforcement training center fees fund; (D) health service fund; (E)

1 Kansas career work study program fund; (F) student union fund; (G)  
 2 regents supplemental grant fund; (H) federal Perkins loan fund; (I) Ford  
 3 foundation — forgivable loan fund; (J) health professions student loan  
 4 fund; (K) research projects grants fund; (L) research projects grants  
 5 matching fund; (M) educational opportunity act — federal fund; (N) loans  
 6 for disadvantaged students fund; (O) prepaid tuition fees clearing fund;  
 7 (P) student health facility maintenance, repair and equipment fee fund;  
 8 (Q) multicultural resource center — construction fund; and (R) Dole  
 9 institute gift or grant fund;

10 (8) in the case of the university of Kansas medical center, “special  
 11 revenue fund” means the: (A) Services to hospital authority fund; (B)  
 12 direct medical education reimbursement fund; (C) federal college work  
 13 study fund; (D) AMA education and research grant fund; (E) federal  
 14 health professions/primary care student loan fund; (F) federal nursing  
 15 student loan fund; (G) suspense fund; (H) federal student educational  
 16 opportunity grant fund; (I) federal Pell grant fund; (J) federal Perkins  
 17 student loan fund; (K) graduate medical education administration reserve  
 18 fund; (L) university of Kansas medical center private practice foundation  
 19 reserve fund; (M) Robert Wood Johnson award fund; (N) federal schol-  
 20 arship for disadvantaged students fund;(O) educational nurse faculty loan  
 21 program fund; and (P) telekid health care link fund; and

22 (9) in the case of Wichita state university, “special revenue fund”  
 23 means the: (A) Kansas career work study program fund; (B) scholarship  
 24 funds fund; (C) economic opportunity act — federal fund; (D) education  
 25 opportunity grant — federal fund; (E) matching education opportunity  
 26 grant fund; (F) work-study program fund; (G) health professions student  
 27 assistance program — loans fund; (H) Pell grants fund; (I) housing system  
 28 renovation principal and interest fund; (J) WSU housing system depre-  
 29 ciation and replacement fund; (K) Perkins loan fund; (L) 1976 dormitory  
 30 maintenance reserve fund; (M) restricted fee — research fund; (N) hous-  
 31 ing system renovation bond reserve fund; (O) WSU housing system sur-  
 32 plus fund; (P) parking system project revenue fund — K DFA bonds; (Q)  
 33 parking system project — maintenance fund — K DFA bonds; (R) on  
 34 campus parking principal and interest — K DFA bonds fund; and (S) on  
 35 campus parking reserve account — K DFA bonds fund.

36 Sec. 2. K.S.A. 74-3213 is hereby amended to read as follows: 74-  
 37 3213. (a) The governing authority of an institution may provide for the  
 38 charging and collection of fees for the use of parking facilities and for  
 39 campus transportation systems at the institution, and these and all fees  
 40 for misuse of parking areas so collected shall be placed in a ~~separate~~  
 41 ~~account~~ *parking fees fund* and may be used by the institution for payment  
 42 of the expense of enforcing the rules and policies governing parking and  
 43 speed limits and the construction, acquisition, maintenance and repair of

1 parking facilities for vehicles and for campus transportation systems at  
2 such institution.

3 (b) *On or before the 10th day of each month, the director of accounts*  
4 *and reports shall transfer from the state general fund to the parking fees*  
5 *fund of each institution interest earnings based on:*

6 (1) *The average daily balance of moneys in the parking fees fund of*  
7 *each institution for the preceding month; and*

8 (2) *the net earnings rate of the pooled money investment portfolio for*  
9 *the preceding month.*

10 (c) *As used in this section, "parking fees fund" includes the parking*  
11 *facilities revenue funds of the university of Kansas and the university of*  
12 *Kansas medical center.*

13 Sec. 3. K.S.A. 74-5619 is hereby amended to read as follows: 74-  
14 5619. (a) There is hereby created in the state treasury the law enforce-  
15 ment training center fund. All moneys credited to such fund under the  
16 provisions of this act or any other law shall be expended only for the  
17 purpose and in the manner prescribed by law, including the expenditures  
18 for the operation of the Kansas law enforcement training commission to  
19 carry out its powers and duties as mandated by law.

20 (b) All moneys received for assessments as provided pursuant to  
21 K.S.A. 74-5607, and amendments thereto, shall be remitted to the state  
22 treasurer in accordance with the provisions of K.S.A. 75-4215, and  
23 amendments thereto. Upon receipt of each such remittance, the state  
24 treasurer shall deposit the entire amount in the state treasury to the credit  
25 of the law enforcement training center fund.

26 (c) *On or before the 10th day of each month, the director of accounts*  
27 *and reports shall transfer from the state general fund to the law enforce-*  
28 *ment training center fund of the university of Kansas interest earnings*  
29 *based on:*

30 (1) *The average daily balance of moneys in the law enforcement train-*  
31 *ing center fund of the university of Kansas for the preceding month; and*

32 (2) *the net earnings rate of the pooled money investment portfolio for*  
33 *the preceding month.*

34 (d) This section shall be part of and supplemental to the Kansas law  
35 enforcement training act.

36 Sec. 4. K.S.A. 74-5620 is hereby amended to read as follows: 74-  
37 5620. (a) There is hereby created in the state treasury the local law en-  
38 forcement training reimbursement fund. All expenditures from the local  
39 law enforcement training *reimbursement* fund shall:

40 ~~(a)~~ (1) Be distributed to municipalities which participated in local law  
41 enforcement training programs certified by the law enforcement training  
42 commission which existed prior to January 1, 1992, in accordance with a  
43 distribution formula developed by the commission;

1     ~~(b)~~ (2) not exceed more than 100% of the actual training costs in-  
2     curred by the municipality in participating in the local law enforcement  
3     training program; and  
4     ~~(c)~~ (3) be distributed for basic law enforcement training and not be  
5     for any type of continuing law enforcement training education programs.  
6     (b) No money shall be expended from this fund prior to January 1,  
7     1993. Such distribution formula shall provide that distribution be based  
8     on the number of individuals trained and the cost per individual trained  
9     of each such municipality. Any such distributions shall be reviewed on a  
10    year-to-year basis and adjusted accordingly pursuant to the criteria spec-  
11    ified in this section. The law enforcement training commission shall con-  
12    duct a review of all local law enforcement training programs in which  
13    municipalities receiving expenditures pursuant to this act are participating  
14    and shall require that all such law enforcement training programs report  
15    their costs in a standardized format prescribed by the commission.  
16    (c) *On or before the 10th day of each month, the director of accounts*  
17    *and reports shall transfer from the state general fund to the local law*  
18    *enforcement training reimbursement fund of the university of Kansas in-*  
19    *terest earnings based on:*  
20    (1) *The average daily balance of moneys in the local law enforcement*  
21    *training reimbursement fund of the university of Kansas for the preceding*  
22    *month; and*  
23    (2) *the net earnings rate of the pooled money investment portfolio for*  
24    *the preceding month.*  
25    Sec. 5. K.S.A. 2004 Supp. 76-326b is hereby amended to read as  
26    follows: 76-326b. (a) The state corporation commission shall remit all  
27    moneys received by or for it from fees collected under K.S.A. 55-151,  
28    and amendments thereto, to the state treasurer in accordance with the  
29    provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
30    each such remittance, the state treasurer shall deposit the entire amount  
31    in the state treasury to the credit of the geological survey fund.  
32    (b) Because the operation of the state geological survey provides a  
33    direct benefit to the oil and gas industry of Kansas, expenditures from  
34    the geological survey fund shall be for the construction, renovation, re-  
35    construction and maintenance of buildings and facilities for the geological  
36    survey and for the acquisition and replacement of equipment for the state  
37    geological survey. Expenditures from the geological survey fund shall be  
38    made in accordance with appropriation acts upon warrants of the director  
39    of accounts and reports issued pursuant to vouchers approved by the  
40    chancellor of the university of Kansas or by a person or persons designated  
41    by the chancellor.  
42    (c) *On or before the 10th day of each month, the director of accounts*  
43    *and reports shall transfer from the state general fund to the geological*

1 *survey fund of the university of Kansas interest earnings based on:*  
2 *(1) The average daily balance of moneys in the geological survey fund*  
3 *of the university of Kansas for the preceding month; and*  
4 *(2) the net earnings rate of the pooled money investment portfolio for*  
5 *the preceding month.*  
6 Sec. 6. K.S.A. 2004 Supp. 76-327c is hereby amended to read as  
7 follows: 76-327c. (a) There is hereby created in the state treasury the fire  
8 service training program fund. All moneys credited to such fund under  
9 the provisions of this act or any other law shall be expended only for the  
10 purpose and in the manner prescribed by law, including the expenditures  
11 for the operation of the Kansas fire service training program to carry out  
12 duties as mandated by law.  
13 (b) All moneys received shall be remitted to the state treasurer in  
14 accordance with the provisions of K.S.A. 75-4215, and amendments  
15 thereto. Upon receipt of each such remittance, the state treasurer shall  
16 deposit the entire amount in the state treasury to the credit of the fire  
17 service training program fund.  
18 (c) *On or before the 10th day of each month, the director of accounts*  
19 *and reports shall transfer from the state general fund to the fire service*  
20 *training program fund of the university of Kansas interest earnings based*  
21 *on:*  
22 *(1) The average daily balance of moneys in the fire service training*  
23 *program fund of the university of Kansas for the preceding month; and*  
24 *(2) the net earnings rate of the pooled money investment portfolio for*  
25 *the preceding month.*  
26 Sec. 7. K.S.A. 2004 Supp. 76-385 is hereby amended to read as fol-  
27 lows: 76-385. (a) (1) Except as otherwise provided in paragraphs (2), (3),  
28 (4) and (5) of this subsection (a) or in K.S.A. 76-386, and amendments  
29 thereto, upon the failure of any person to satisfy the obligation to engage  
30 in the full-time practice of medicine and surgery within a service com-  
31 mitment area of this state for the required period of time under any  
32 medical student loan agreement entered into under this act, such person  
33 shall repay to the university of Kansas school of medicine in accordance  
34 with subsection (b) an amount equal to the total of (A) the amount of  
35 money received by such person pursuant to such agreement, or the  
36 amount of money determined under rules and regulations of the univer-  
37 sity of Kansas plus (B) annual interest at a rate of 15% from the date such  
38 money was received.  
39 (2) Any person who fails to apply for and enter an approved post-  
40 graduate residency training program shall be required to repay all moneys  
41 received pursuant to an agreement entered into for any such medical  
42 student loan, plus accumulated interest at an annual rate of 15% and shall  
43 commence such repayment in accordance with subsection (b) within 90

1 days of graduation from the school of medicine or upon termination or  
2 completion of a residency training program which does not comply with  
3 the provisions of this act, whichever is later.

4 (3) If at any time a person is failing to satisfy an obligation to engage  
5 in the full-time practice of medicine and surgery in Kansas for the re-  
6 quired period of time under an agreement entered into under this act  
7 because such person is engaged in the full-time practice of medicine and  
8 surgery in a state other than Kansas, or within Kansas in an area that is  
9 not a service commitment area or in the practice of medicine and surgery  
10 which does not otherwise comply with the agreement entered into under  
11 this act, and if such person is subject to or currently making repayments  
12 under this section and if such person subsequently commences the prac-  
13 tice of medicine and surgery in this state which is in a service commitment  
14 area or which otherwise complies with the agreement entered into under  
15 this act, the balance of the repayment amount, including interest thereon,  
16 from the time of such commencement of practice until the obligation of  
17 such person is satisfied, or until the time such person again becomes  
18 subject to repayments, shall be waived. All repayment amounts due prior  
19 to such commencement of practice, including interest thereon, shall con-  
20 tinue to be payable as provided in this section. If subsequent to such  
21 commencement of practice, the person fails to satisfy such obligation, the  
22 person again shall be subject to repayments, including interest thereon,  
23 as otherwise provided in this section.

24 (4) If, during the time a person is satisfying the service requirement  
25 of an agreement entered into under this act, such person desires to engage  
26 in less than the full-time practice of medicine and surgery within a service  
27 commitment area of the state and remain in satisfaction of such service  
28 requirement, such person may make application to the chancellor of the  
29 university of Kansas or the designee of the chancellor for permission to  
30 engage in less than such full-time practice of medicine and surgery. Upon  
31 a finding of exceptional circumstances made by the chancellor of the  
32 university of Kansas, or the designee of the chancellor, such person may  
33 be authorized to engage in less than the full-time practice of medicine  
34 and surgery within a service commitment area of the state for the re-  
35 maining required period of time under such agreement and for an ad-  
36 ditional period of time which shall be equal to the length of the originally  
37 required period of time multiplied by the decimal fraction which is equal  
38 to the reduction of the full-time practice of medicine and surgery to be  
39 authorized hereunder, multiplied by two. In any such determination of  
40 the period required to be engaged in the less than full-time practice of  
41 medicine and surgery, the decimal fraction utilized shall not exceed .5  
42 and any person granted permission to engage in less than the full-time  
43 practice of medicine and surgery in accordance with the provisions of this

1 paragraph (4) shall be required to engage in at least the half-time practice  
2 of medicine and surgery.

3 (5) Any person who enters but fails to complete an approved post-  
4 graduate residency training program, or who enters and completes an  
5 approved postgraduate residency training program but fails to satisfy the  
6 obligation to engage in the full-time practice of medicine and surgery  
7 within a service commitment area of this state for the required period of  
8 time shall be required to repay all money received pursuant to an agree-  
9 ment entered into under this act a medical student loan, plus accumulated  
10 interest at an annual rate of 15% and shall commence such repayment in  
11 accordance with subsection (b) within 90 days of failure to complete an  
12 approved postgraduate residency training program or 90 days of failure  
13 to commence qualifying practice, whichever occurs first.

14 (b) For any repayment requirement under this section, the person  
15 shall repay an amount totaling the entire amount to be repaid under all  
16 such agreements for which such obligations are not satisfied, including  
17 all amounts of interest at the rate prescribed. The repayment shall be  
18 made in not more than 10 equal annual installment payments.

19 (c) All installment payments under this section shall commence six  
20 months after the date of the action or circumstance that causes the failure  
21 of the person to satisfy the obligations of such agreements, as determined  
22 by the university of Kansas school of medicine based upon the circum-  
23 stances of each individual case. In all cases, if an installment payment  
24 becomes 91 days overdue, the entire amount outstanding shall become  
25 immediately due and payable, including all amounts of interest at the rate  
26 prescribed.

27 (d) The total repayment obligation imposed under all agreements en-  
28 tered into under this act may be satisfied by the person who entered into  
29 the agreements at any time prior to graduation from the university of  
30 Kansas school of medicine by making a single lump-sum payment equal  
31 to the total of (1) the entire amount to be repaid under all such agree-  
32 ments upon failure to satisfy the obligations under such agreements to  
33 practice in Kansas, plus (2) all amounts of interest thereon at the rate  
34 prescribed to the date of payment.

35 (e) The university of Kansas school of medicine shall remit all moneys  
36 received under this section to the state treasurer in accordance with the  
37 provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of  
38 each such remittance, the state treasurer shall deposit the entire amount  
39 in the state treasury to the credit of the medical loan repayment fund.

40 (f) (1) There is hereby created in the state treasury the medical loan  
41 repayment fund. All expenditures from the medical loan repayment fund  
42 shall be for medical student loans under the medical student loan act and  
43 for the expenses of administration of the medical student loan act and



1 shall be made in accordance with appropriation acts upon warrants of the  
2 director of accounts and reports issued pursuant to vouchers approved  
3 by the chancellor of the university of Kansas or by a person designated  
4 by the chancellor. ~~On the effective date of this act, the director of ac-~~  
5 ~~counts and reports shall transfer all moneys in the medical scholarship~~  
6 ~~and loan repayment fund to the medical loan repayment fund. On the~~  
7 ~~effective date of this act, all liabilities of the medical scholarship and loan~~  
8 ~~repayment fund are hereby imposed on the medical loan repayment fund~~  
9 ~~and the medical scholarship and loan repayment fund is hereby abolished.~~

10 (2) Whenever the medical scholarship and loan repayment fund, or  
11 words of like effect, is referred to or designated by any statute, contract  
12 or other document, such reference or designation shall be deemed to  
13 apply to the medical loan repayment fund.

14 (3) *On or before the 10th day of each month, the director of accounts*  
15 *and reports shall transfer from the state general fund to the medical loan*  
16 *repayment fund of the university of Kansas interest earnings based on:*

17 (A) *The average daily balance of moneys in the medical loan repay-*  
18 *ment fund of the university of Kansas for the preceding month; and*

19 (B) *the net earnings rate of the pooled money investment portfolio for*  
20 *the preceding month.*

21 Sec. 8. K.S.A. 76-6b02 is hereby amended to read as follows: 76-  
22 6b02. (a) All moneys received by the state treasurer under K.S.A. 76-  
23 6b01, and amendments thereto, shall be credited to the Kansas educa-  
24 tional building fund to be used for the construction, reconstruction,  
25 equipment and repair of buildings and grounds at the state educational  
26 institutions under the control and supervision of the state board of regents  
27 and for payment of debt service on revenue bonds issued to finance such  
28 projects, all subject to appropriation by the legislature.

29 (b) Subject to any restrictions imposed by appropriation acts, the  
30 state board of regents is authorized to pledge funds appropriated to it  
31 from the Kansas educational building fund or from any other source and  
32 transferred to a special revenue fund of the state board of regents spec-  
33 ified by statute for the payment of debt service on revenue bonds issued  
34 for the purposes set forth in subsection (a). Subject to any restrictions  
35 imposed by appropriation acts, the state board of regents is also author-  
36 ized to pledge any funds appropriated to it from the Kansas educational  
37 building fund or from any other source and transferred to a special rev-  
38 enue fund of the state board of regents specified by statute as a priority  
39 for the payment of debt service on such revenue bonds. Neither the state  
40 or the state board of regents shall have the power to pledge the faith and  
41 credit or taxing power of the state of Kansas for such purposes and any  
42 payment by the state board of regents for such purposes shall be subject  
43 to and dependent on appropriations being made from time to time by

1 the legislature. Any obligation of the state board of regents for payment  
2 of debt service on revenue bonds and any such revenue bonds issued for  
3 the purposes set forth in subsection (a) shall not be considered a debt or  
4 obligation of the state for the purpose of section 6 of article 11 of the  
5 constitution of the state of Kansas.

6 *(c) On or before the 10th day of each month, the director of accounts  
7 and reports shall transfer from the state general fund to the Kansas ed-  
8 ucational building fund interest earnings based on:*

9 *(1) The average daily balance of moneys in the Kansas educational  
10 building fund for the preceding month; and*

11 *(2) the net earnings rate of the pooled money investment portfolio for  
12 the preceding month.*

13 Sec. 9. K.S.A. 76-719 is hereby amended to read as follows: 76-719.

14 *(a) Subject to K.S.A. 76-742 and amendments thereto, the board of re-  
15 gents shall fix tuition, fees and charges to be collected by each state ed-  
16 ucational institution. If a state educational institution collects a student-  
17 activity fee, the funds so collected shall be set apart and used for the  
18 purpose of supporting appropriate student activities.*

19 *(b) All moneys received by a state educational institution for tuition  
20 fixed by the state board of regents shall be deposited in the state treasury  
21 and credited to the general fees fund of the state educational institution.  
22 All moneys received for any student-activity fee or for any other fees or  
23 charges fixed by the state board of regents shall be deposited in the state  
24 treasury and credited to the appropriate account of the restricted fees  
25 fund of the state educational institution or to another appropriate special  
26 revenue fund of the state educational institution.*

27 *(c) On or before the 10th day of each month, the director of accounts  
28 and reports shall transfer from the state general fund to the general fees  
29 fund of each state educational institution interest earnings based on:*

30 *(1) The average daily balance of moneys in the general fees fund of  
31 the state educational institution for the preceding month; and*

32 *(2) the net earnings rate of the pooled money investment portfolio for  
33 the preceding month.*

34 *(d) On or before the 10th day of each month, the director of accounts  
35 and reports shall transfer from the state general fund to the restricted fees  
36 fund of each state educational institution interest earnings based on:*

37 *(1) The average daily balance of moneys in the restricted fees fund of  
38 the state educational institution for the preceding month; and*

39 *(2) the net earnings rate of the pooled money investment portfolio for  
40 the preceding month.*

41 Sec. 10. K.S.A. 76-753 is hereby amended to read as follows: 76-753.

42 *(a) There is hereby established in the state treasury a sponsored research  
43 overhead fund for each state educational institution.*

1 (b) All moneys received by a state educational institution as overhead  
2 costs on sponsored research projects shall be deposited to the credit of  
3 the sponsored research overhead fund.

4 (c) In accordance with the provisions of appropriations acts, expend-  
5 itures may be made from the sponsored research overhead fund of a state  
6 educational institution for administration, operation and development of  
7 research and for matching federal funds available for capital improve-  
8 ments and equipment that qualify for research purposes.

9 (d) *On or before the 10th day of each month, the director of accounts*  
10 *and reports shall transfer from the state general fund to the sponsored*  
11 *research overhead fund of each state educational institution interest earn-*  
12 *ings based on:*

13 (1) *The average daily balance of moneys in the sponsored research*  
14 *overhead fund of the state educational institution for the preceding month;*  
15 *and*

16 (2) *the net earnings rate of the pooled money investment portfolio for*  
17 *the preceding month.*

18 Sec. 11. K.S.A. 76-755 is hereby amended to read as follows: 76-755.

19 (a) There is hereby established in the state treasury a service clearing  
20 fund for each state educational institution.

21 (b) The service clearing fund at a state educational institution shall  
22 be used only as a working capital fund to finance the internal service  
23 activities rendered to the state educational institution's own departments,  
24 other institutional related organizations and specific organizations and  
25 classes of individuals approved by the state board of regents, which ac-  
26 tivities are specified in appropriations acts for the service clearing fund  
27 or which are authorized for the service clearing fund by the state board  
28 of regents with the approval of the state finance council acting on this  
29 matter which is hereby characterized as a matter of legislative delegation  
30 and subject to the guidelines prescribed in subsection (c) of K.S.A. 75-  
31 3711c and amendments thereto.

32 (c) The director of accounts and reports shall approve the accounting  
33 procedures to be used for service clearing funds to insure a self-support-  
34 ing operation of each service clearing fund.

35 (d) *On or before the 10th day of each month, the director of accounts*  
36 *and reports shall transfer from the state general fund to the service clear-*  
37 *ing fund of each state educational institution interest earnings based on:*

38 (1) *The average daily balance of moneys in the service clearing fund*  
39 *of the state educational institution for the preceding month; and*

40 (2) *the net earnings rate of the pooled money investment portfolio for*  
41 *the preceding month.*

42 Sec. 12. K.S.A. 2004 Supp. 76-762 is hereby amended to read as  
43 follows: 76-762. (a) There is hereby created in the custody of the state

1 treasurer the following funds at each state educational institution from  
2 which the housing system shall be operated:

- 3 (1) A housing system suspense fund;
- 4 (2) a housing system operations fund; and
- 5 (3) a housing system repairs, equipment and improvement fund.

6 (b) Payments received for rents and boarding fees and other charges  
7 in connection with the operation of the housing system shall be remitted  
8 to the state treasurer in accordance with the provisions of K.S.A. 75-4215,  
9 and amendments thereto. Upon receipt of each such remittance, the state  
10 treasurer shall deposit the entire amount in the state treasury to the credit  
11 of the housing system suspense fund.

12 (c) On or before the 10th of each month, the director of accounts  
13 and reports shall transfer from the state general fund to the housing  
14 system suspense fund *of each state educational institution* interest earn-  
15 ings based on:

- 16 (1) ~~The aggregate of (A) the average daily balance of moneys in each~~  
17 ~~the housing system suspense fund (B) the average daily balance of moneys~~  
18 ~~in the housing system operations fund, and (C) the average daily balance~~  
19 ~~of moneys in the housing system repairs, equipment and improvement~~  
20 ~~fund of the state educational institutions institution for the preceding~~  
21 ~~month; and~~
- 22 (2) the net earnings rate for the pooled money investment portfolio  
23 for the preceding month.
- 24 (d) The housing system operations fund shall be used to pay the ex-  
25 penses of operation of the housing systems and for the operation and  
26 maintenance of the system. The state educational institution shall transfer  
27 from the housing system suspense fund to the operations fund amounts  
28 needed for the operation and maintenance of the system. Each state ed-  
29 ucational institution shall establish such accounts within the housing sys-  
30 tem operations fund as are required for the efficient management of the  
31 system. ~~Funds in the housing system operations fund not needed for~~  
32 ~~immediate use may be invested by the state educational institution~~  
33 ~~through the pooled money investment board in accordance with the pro-~~  
34 ~~visions of K.S.A. 75-4254, and amendments thereto.~~
- 35 (e) The housing system repairs, improvements and equipment fund  
36 shall be used for repairs, equipment, improvements and expansion of the  
37 housing system that cannot be financed from the housing system opera-  
38 tions fund. Transfers may be made to this fund from the housing system  
39 suspense fund or the housing system operations fund as determined by  
40 the state educational institution. ~~All or a portion of the moneys in such~~  
41 ~~fund may be invested by the state educational institution through the~~  
42 ~~pooled money investment board in accordance with the provisions of~~  
43 ~~K.S.A. 75-4254, and amendments thereto.~~ Expenditures from this fund

1 may be made for projects that have been approved by the state board of  
2 regents.

3 Sec. 13. K.S.A. 74-3213, 74-5619, 74-5620, 76-6b02, 76-719, 76-753  
4 and 76-755 and K.S.A. 2004 Supp. 76-326b, 76-327c, 76-385 and 76-762  
5 are hereby repealed.

6 Sec. 14. This act shall take effect and be in force from and after its  
7 publication in the statute book.