

Approved 2-12-90
Date

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION

The meeting was called to order by Chairman Don E. Crumbaker at
Chairperson

3:30 ~~am~~/p.m. on February 8, 1990 in room 519-S of the Capitol.

All members were present except:

Representative Flottman, Excused

Committee staff present:

Avis Swartzman, REvisor of Statutes Office

Ben Barrett, Legislative Research

Dale Dennis, Department of Education

Thelma Canaday, Secretary to the Committee

Conferees appearing before the committee:

Mr. Chris McKenzie, Douglas County Administrator

Ms. Beverly Bradley, Kansas Association of Counties

Dr. Merle Hill, Executive Director, Kansas Association of Community Colleges

Representative Graeber

Mr. John Junk, Chairman, Board of County Commissioners, Leavenworth County

The meeting was called to order by Chairman Crumbaker.

The chairman called on Mr. Ben Barrett to give an overview of HB 2727.

Mr. Barrett noted four provisions of HB 2727:

- 1) establishes one-year residency for out-district tuition purposes,
- 2) establishes one-year residency for purposes of tuitions charged to students,
- 3) provides for out-district state aid,
- 4) substitutes the term "assessed" for "adjusted" valuation for purposes of determining state aid entitlements under the formula.

Mr. McKenzie testified in support of HB 2727. Mr. McKenzie said there is a growing concern of county commissioners in Douglas County for the rapidly increasing community college out-district tuition expenses being assessed to the property taxpayers. Mr. McKenzie said his understanding is there is no residency requirement for county out-district tuition purposes. Mr. McKenzie urged favorable consideration of HB 2727. (Attachment 1)

Ms. Beverly Bradley testified in favor of HB 2727. Ms. Bradley pointed out making the residency requirement 12 months would make it consistent with the residency requirement for regents institutions and would be a first step. (Attachment 2)

Dr. Hill testified against HB 2727. Dr. Hill said for community college purposes of charging tuition and seeking state reimbursement, presence and intent are the determining factors. Dr. Hill believes the safeguards already in place are sufficient to protect the integrity of the community colleges and the fiscal responsibilities of the state. (Attachment 3)

The hearings on HB 2727 were declared closed by the chairman.

The chairman opened hearings on HB 2748, an act concerning community colleges; relating to residence of students for tuition, outdistrict tuition, and state aid purposes.

Representative Graeber spoke in favor of HB 2727 and introduced Mr. John Junk to give testimony in support of the bill.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION,

room 519-S, Statehouse, at 3:30 ~~am~~/p.m. on February 8, 1990.

Mr. Junk said out-district tuition is funded by property tax. Mr. Junk pointed out 48 percent of property in Leavenworth County is exempt from property tax which means 52 percent of property owners are having to pay for the out-district tuition.

Dr. Hill testified against HB 2748. Dr. Hill gave a resume of out-district tuition as it has been implemented the past 15 years (Attachment 4). Dr. Hill stated the Kansas Association of Community Colleges and the State Board of Education continue to support the complete elimination of out-district tuition. However, Dr. Hill opposed HB 2748 as it would not deal with the problem in its entirety.

Chairman Crumbaker declared hearings on HB 2748 closed.

The meeting was adjourned by the chair at 4:18 p.m.

The next meeting will be February 12, 1990 at 3:30 p.m. in Room 519-S.

Douglas County

TO: House Education Committee
FROM: Chris McKenzie, County Administrator
RE: House Bill 2727
DATE: February 8, 1990

Mr. Chairman and members of the Committee, I appreciate the opportunity to appear before you today on behalf of the Board of County Commissioners of Douglas County in support of HB 2727. At the outset I would like to draw your attention to the bar graph that accompanies my testimony. At first glance it might appear to you to be a graph depicting the ever-increasing federal deficit. In reality it illustrates the rapidly increasing community college out-district tuition expenses of the property taxpayers of Douglas County--an expense that I trust you will agree is both staggering and apparently out of control. Between 1986 and 1989, the cost of this program increased 136%, outstripping our budget for this fund in both 1988 and 1989. If our 1990 budget is fully expended, the increase between 1986 and 1990 will be 191%.

HB 2727 was introduced at the request of the Kansas Association of Counties to attempt to address at least one aspect of the overwhelming cost of out-district tuition paid by the property taxpayers of the counties of this state. It would require individuals for whom counties are billed for out-district tuition to reside in the county for at least 12 months prior to enrollment. In many respects, such a requirement is similar to the residency requirement imposed by state law for paying for in-state tuition at Regents' institutions.

It is my understanding that there is no residency requirement at present for county out-district tuition purposes. In fact it appears that the present wording of K.S.A. 71-401 (the section amended by Section 2 of HB 2727) allows community colleges to continue charging out-district counties for six (6) months after a person moves into a county with a community college. HB 2727 also would appear to remove that unfair provision.

You are well acquainted with the concerns that many of the property taxpayers of this state have expressed about their property tax burdens this year. This is an area in which only the legislature can reduce that burden. County commissions are not authorized by law to exercise any control over this expense. In fact, this is a county levied property tax in name only. It actually is a state levied tax.

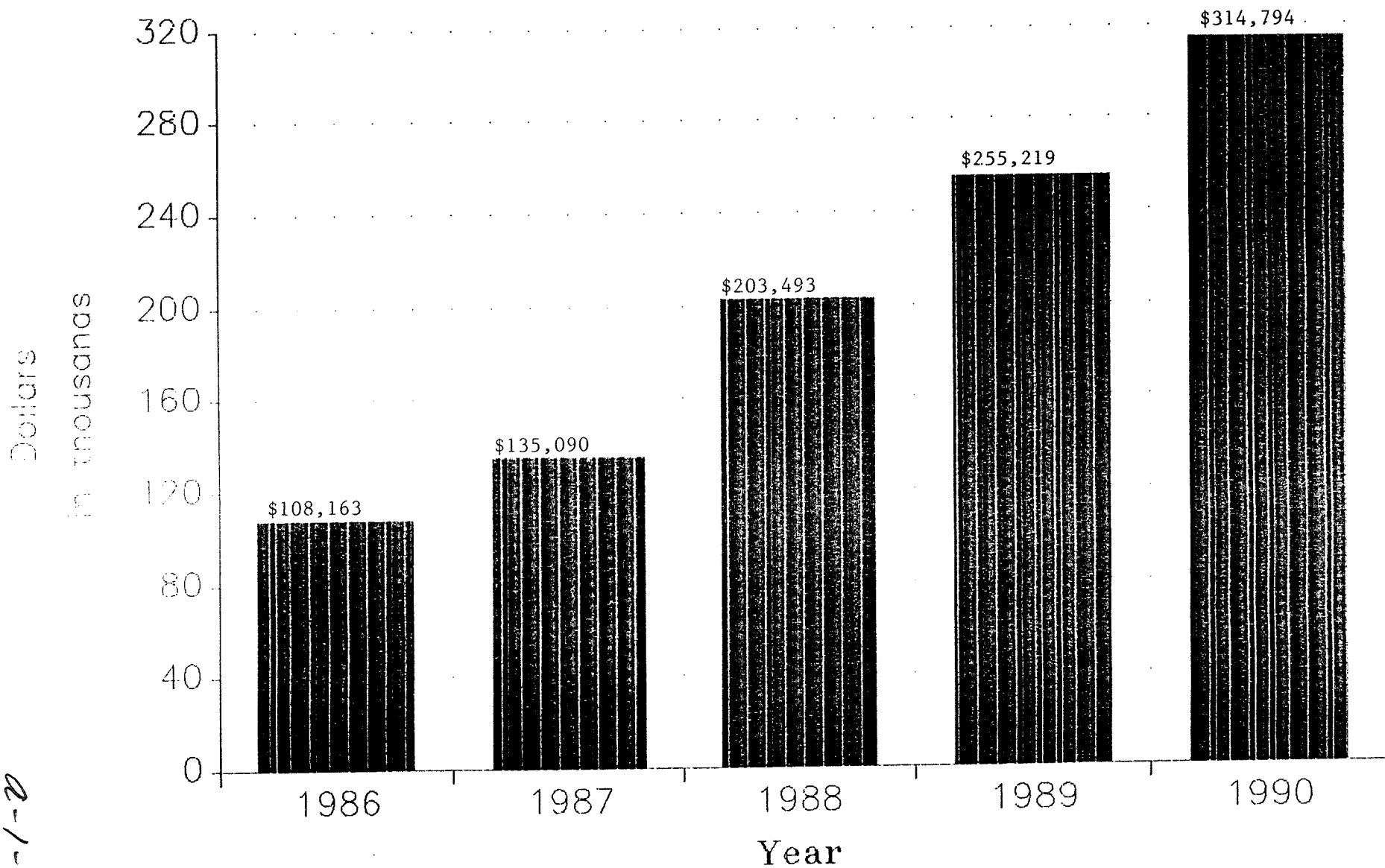
I thank you for your kind attention, and I would be happy to answer any questions you may have.

Courthouse

Eleventh & Massachusetts / Lawrence, Kansas 66044 / (913) 841-7700

*Attachment 1
House Education
2-8-90*

Douglas County Community College Expenditures from 1986 - 1990



2-1-2
Diane Ed.
2-8-90



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Executive Director
John T. Torbert

February 8, 1990

February 8, 1990

To: Representative Don Crumbaker, Chairman
Members House Education Committee

From: Bev Bradley, Legislative Coordinator
Kansas Association of Counties

Re: HB 2727

The Kansas Association of Counties asked for the introduction of HB 2727 upon request from Douglas and other counties in Kansas. Current law provides that for the purposes of out-district tuition, there is no duration of residency required to claim residency. The practical effect is that any county without a community college is required to pay out-district tuition of any individual who claims that county as their place of residency. The fiscal responsibilities continue to grow as has been pointed out by other conferees. We understand that changing the residency requirement is not a cure all, but making the residency requirement 12 months would make it consistent with the residency requirement for regents institutions and would be a first step. We urge your support for this legislation.

TSB2727

*Attachment 2
House Education
2-8-90*



KANSAS ASSOCIATION OF COMMUNITY COLLEGES

Columbian Title Bldg., 820 Quincy • Topeka 66612 • Phone 913-357-5156

W. Merle Hill
Executive Director

To: House Committee on Education

From: Merle Hill, Executive Director
Kansas Association of Community Colleges

Date: February 8, 1990

Subj: House Bill No. 2727: An Act concerning community colleges; relating to residence of students for tuition, out-district tuition, and state aid purposes.

Mr. Chairman, members of the Committee, I am Merle Hill, executive director of the Kansas Association of Community Colleges. Thank you for giving me the opportunity to discuss with you the concerns of community college trustees, administrators, faculty, and students about the proposal to change the Kansas residency requirement for citizens enrolled at Kansas community colleges.

Currently, a person who has resided in Kansas for six months can declare himself/herself a resident of the state. For community college purposes of charging tuition and seeking state reimbursement, presence and intent are the determining factors.

Section 91-25-1 (b) of Article 25 of the community college regulations established by the State Department of Education reads as follows:

"The determination of residency for out-district tuition and student tuition purposes shall be made according to K.S.A. 71-402 and 71-406, and any amendments to these statutes. Significant factors which may be considered in determining intent to become a resident are payment of property taxes, purchase of license tags, location of employment, voting registration, and any other established ties with the community college district or a location in Kansas." (Emphasis added.)

Also, Section 91-25-1 (c) (6) of Article 25 stipulates that the following qualify:

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"Persons who are domiciliary residents of the state, whose domiciliary residence was established in the state for the purpose of accepting, upon recruitment by an employer, or retaining, upon transfer required by an employer, a position of full-time employment at a place of employment in Kansas but the domiciliary residence of whom was not timely enough established to meet the residence duration requirements of K.S.A. 71-406, and amendments thereto, and who are not otherwise eligible for admission at in-state student tuition rates."

The Kansas Higher Education Enrollment Report, Fall, 1989, published by the Kansas Legislative Research Department, indicates that only 3.65 percent of community college students are non-residents. Most of those out-of-staters commute across the state border in communities adjacent to Kansas City, Johnson County, Fort Scott, Labette, Coffeyville, Cowley County, and Seward County Community Colleges. Only a small percentage of the non-commuters will probably declare residency after residing six months in the state.

The members of the Kansas Association of Community Colleges believe the safeguards already in place are sufficient to protect the integrity of the community colleges and the fiscal responsibilities of the state. They recommend that House Bill No. 2727 be reported unfavorably for passage.

*A-3-2
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KANSAS ASSOCIATION OF COMMUNITY COLLEGES

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W. Merle Hill
Executive Director

To: House Committee on Education

From: Merle Hill, Executive Director
Kansas Association of Community Colleges

Date: February 8, 1990

Subj: House Bill No. 2748: An Act concerning community colleges; relating to residence of students for tuition, out-district tuition, and state aid purposes.

Mr. Chairman, members of the Committee, I am Merle Hill, executive director of the Kansas Association of Community Colleges. Thank you for giving me the opportunity to discuss with you the aspect of House Bill No. 2748 which concerns the members of our Association.

As Representative Graeber has explained to you, House Bill No. 2748 deals with the payment of out-district tuition. Out-district tuition has been a concern of community colleges trustees and administrators, county commissioners, and legislators for more than 15 years. My introduction to out-district tuition took place in 1984, when Chairman Crumbaker invited me to participate in a discussion with county commissioners in Manhattan. I doubt if the Chairman, Dr. John Hanna, director of community colleges, State Department of Education, and I will ever forget that meeting.

In 1986, some 20 people appointed by the State Board of Education met for a full year to discuss community college funding; and there were lengthy discussions about out-district tuition. Chairman Crumbaker, Senator Johnston, two county commissioners, community college trustees and administrators, and representatives of the State Board of Education and the Department of Education served on the committee. Acting on the recommendations of this committee, the State Board of Education and the Kansas Association of Community Colleges devised a five-year

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financial plan for the community colleges. That five-year plan was introduced in bill form in 1987, in 1988, and again in 1989 as House Bill No. 2087. No action was taken on HB 2087 because elements of the plan regarding funding were also contained in Senate Bill No. 210 and funded through Senate Bill No. 67.

One of the elements of the five-year plan is a five-year phase-out of out-district tuition, with the state picking up dollar-for-dollar the phased-out out-district tuition obligations of the counties. Governor Hayden supported that phase-out last year and, this year, in his State of the State Message (page 21) indicated his continued support for it. However, due to the financial constraints facing the state, the Governor recommends delaying the implementation of this concept.

The State Board of Education and the Kansas Association of Community Colleges continue to support the complete elimination of out-district tuition. Rather than attack the problem piecemeal, however, as would be the case if House Bill No. 2748 were to be passed, we believe it should be dealt with in its entirety when sufficient state funds are available to address the problem.

The members of the Kansas Association of Community Colleges do not believe it would be good policy to implement House Bill No. 2748 and recommend that you report it unfavorably for passage.

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