

MINUTES OF THE HOUSE HIGHER EDUCATION COMMITTEE

The meeting was called to order by Chairman Tom Sloan at 3:30 P.M. on March 7, 2005 in Room 231-N of the Capitol.

All members were present except:

Representative Stephanie Sharp- excused
Representative Valdenia Winn- excused

Committee staff present:

Mary Galligan, Kansas Legislative Research Department
Deb Hollon, Kansas Legislative Research Department
Art Griggs, Office of the Revisor
Linda Reed, Committee Secretary

Conferees appearing before the committee:

Robert Masters - Vice President for Academic Affairs
Mary Ellen Conlee - Wichita Area Technology College
Art Griggs, Office of the Revisor
Mary Galligan, Kansas Legislative Research Department
Steve Kearney, Executive Director of the KS. Association
of Technical Schools and Colleges.
Mark Tallman, Assistant Executive Director/Advocacy for the
Kansas Assoc. Of School Boards
Kenneth A. Clouse, President of Northwest Kansas Technical College
Rob Edelston, President Manhattan Area Technical College
Ed Poley, Director of Southwest Kansas Technical School

Others attending:

See attached list.

Meeting called to order and the hearing was opened on **SB 9: Community colleges; contracts with institutions located in another state.**

Robert Masters, Vice President for Academic Affairs offered testimony on behalf of the Kansas Board of Regents in support of **SB 9**. Mr. Masters stated that **SB 9** was endorsed and introduced by the Legislative Education Planning Committee, and unanimously approved by the Senate in a 40-0 vote. Mr. Masters stated repealing K.S.A. 71-202 would provide State community colleges the opportunity to enter into agreements with other institutions and organizations thereby better serving the needs of the citizens of Kansas. (Attachment 1)

Chairman Sloan asked Art Griggs, Office of the Revisor, to present an explanation of K.S.A. 71-202. Mr. Griggs stated that K.S.A. 71-202 enacted in 1972, gave community colleges authority to enter into contract agreements with community colleges or other public institutions in adjoining States. (Attachment 2)

Chairman Sloan opened the floor to questions. Questions were asked by Representatives Horst and Hill and Mary Galligan concerning the review process for new programs or degrees and the role the Board of Regents has in approving new degree programs, reciprocal agreements, student exchange agreements, certificates and academic degrees.

Representative Storm asked Mr. Masters to elaborate on specialized courses as in the example of Colby Community College working together with the Dental Hygiene Program in Wisconsin. Mr. Masters explained that what Colby is doing is teaching the general education courses. What they don't have is the specialized courses in the general hygiene area which are contracted out. Classes are primarily taught on line. Chairman Sloan added that Colby has a facility providing supervised hands-on training with a local dentist providing assistance. Mr. Masters stated that Colby does not have the resources to actually hire the types of faculty that teach those specialized courses, and that is what's being contracted out.

With no further questions, Chairman Sloan closed the hearing on **SB9**.

CONTINUATION SHEET

Minutes of the House Higher Education Committee at 3:30 P.M. on March 7, 2005 in Room 231-N of the Capitol.

Chairman Sloan opened the hearing on **HB 2489: Tax levy authority for governing bodies of technical colleges and school districts.**

Art Griggs, Office of the Revisor gave a brief explanation of **HB 2489**, citing that the general subject matter of the bill would provide for a mill levy to fund adult basis education at certain technical colleges. Mr. Griggs stated that Section 2 of the bill gives the authority to levy a half mill on personal property in the technical college's service territory, for adult education. Mr. Griggs stated that what the bill does, is allow technical colleges to make that adult education levy currently made by local school districts. (Attachment 3)

The Chairman opened the floor for questions.

Chairman Sloan asked Mr. Griggs to comment on the issues of principle and interest payments on bonds issued by cities for the financing of redevelopment projects upon property located with the territory. Mr. Griggs indicated that when they are redeveloping a district they look at what the mill levy was before the improvement, and look at the value the improvement, the difference in the value is still taxed but the tax revenues attributable to the improvement are used to pay the debt.

Mr. Griggs responded to Representative Carlin as to whether a program is already in place regarding mill levy's for adult education. Mr. Griggs stated that some school districts have the program in place and some do not.

Chairman Sloan indicated to the Committee that **HB 2489** is dually referred to us and the tax committee. If we pass out our version of this bill it will then go to tax committee where they will work the bill before it goes to the House floor.

Written testimony was presented by Kenneth A. Clouse, President of Northwest Kansas Technical College on **HB 2489**. (Attachment 4)

Written testimony from Rob Edeleston from Manhattan, President Manhattan Area Technical College. (Attachment 5)

MaryEllen Conlee, provided testimony as a proponent for the Wichita Area Technological College explaining why they need **HB 2489**. Ms. Conlee stated **HB 2489** amends 2003 legislation referred to as **SB 7** which established a procedure for the transition of technical colleges from K-12 school board governance to independent governance. In reviewing **SB 7**, it became clear that in some jurisdictions, the new boards would need additional statutory authority to levy a tax for the purpose of continuing to carry out Adult Basic Education programming (ABE). Ms. Conlee asked that we support the original **HB 2489** which allows the transfer of the ABE tax levy authority from a unified school district to the new technical college board of directors, if the technical college is responsible for the ABE programming. (Attachment 6)

Ms. Conlee provided a balloon on **HB 2489** to the Committee. (Attachment 7)

Ed Poley, Director of Southwest Kansas Technical School, Liberal Kansas provided written testimony as an opponent for the bill. (Attachment 8)

Mark Tallman, Assistant Executive Director/Advocacy for the Kansas Association of School Boards, provided testimony as a neutral party. (Attachment 9)

Steve Kearney appeared in his capacity as Executive Director with the Kansas Association of Technical Schools and Colleges as a neutral party. (Attachment 10)

Mary Galligan, Kansas Legislative Research Department presented and walked through proposed balloon language on **HB 2489**. (Attachment 11)

Chairman Sloan opened the floor to questions.

CONTINUATION SHEET

Minutes of the House Higher Education Committee at 3:30 P.M. on March 7, 2005 in Room 231-N of the Capitol.

Representative Kreiebel and Hill questioned Mary Galligan about issues of valuation in redevelopment districts.

Representative Storm questioned Mr. Kearney about issues associated with cuts in state aid funds.

There being no further questions Chairman Sloan closed the hearing on **HB 2489**.

Chairman Sloan brought **SB 9** back for committee discussion and motions.

Representative Kelsey moved to pass SB 9. The motion was seconded by Representative Huff.

The motion carried.

Chairman Sloan asked Representative Kelsey to carry the bill.

The meeting was adjourned at 5:10 p.m. The next meeting is scheduled for Wednesday, March 9, 2005 at 3:30 p.m. in RM. 231-N.



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Testimony on SB 9 House Higher Education Committee

March 7, 2005

**Robert Masters
Vice President for Academic Affairs**

Good afternoon Chairman Sloan and Members of the Committee. My name is Robert Masters and I am the Vice President for Academic Affairs at the Kansas Board of Regents. I am here on behalf of the Kansas Board of Regents in support of SB 9.

As you may know, SB 9 was endorsed and introduced by the Legislative Education Planning Committee, and it also was unanimously approved by the Senate in a 40-0 vote.

General Overview

K.S.A. 71-202 was enacted by the Kansas Legislature in 1972, and it limits the ability of the 19 Kansas community colleges to enter into partnerships with other educational institutions to those within the state and those in states adjoining Kansas. It also limits the ability of Kansas community colleges to partner with private institutions to offer programs in only the healing arts or medical skills. The Kansas postsecondary education system strives to bring the most up-to-date and high-demand programs to the citizens of Kansas. Availability of and access to these programs could be enhanced by allowing the 19 Kansas community colleges to enter into agreements with other organizations and educational institutions outside the state to provide instruction and training in a more timely and cost-effective manner.

Several considerations lead us to support repealing K.S.A. 71-202:

- Since 1972, technology has evolved to an extent which allows relationships between institutions to be built regardless of geographic location. The ease by which communications can occur with existing and emerging technology no longer precludes “long distance partnerships.”
- With the advent of distance education, especially via the internet, geographic limitations in education have been lifted providing access to more diverse educational offerings.
- The Kansas Board of Regents is supportive of collaboration between and among organizations of higher education. This is evidenced by recent policy decisions concerning collaborative degrees and programs.

House Higher Education Committee
3/7/05
Attachment 1

A number of advantages are to be gained for Kansans by repealing K.S.A. 71-202:

- Improved access to high-demand programs that have an established track record of excellence. This also reduces the need for duplication of high-demand programs.
- Cost savings for the institutions that desire to provide the high-demand, high-cost programs. Sharing resources so that no one institution bears the entire cost of offering these programs is an ultimate benefit. Institutions will be allowed to share the expense of these programs while jointly ensuring the highest standards of quality are being met.
- Collaboration allows institutions to share the cost of faculty that are trained in a specialized area, especially where there are low numbers of available faculty.
- Students will be allowed to receive their certificate or degree from their home state.

Problems with K.S.A. 71-202 include:

- In 1998, Colby Community College wished to partner with North Central Technical College in Wausau, Wisconsin to offer an Associate of Applied Science degree in Dental Hygiene. Colby Community College could not afford to develop and operate the program alone. K.S.A. 71-202 prevented Colby Community College from directly contracting with North Central Technical College; therefore, North Central Technical College requested and received degree-granting authority from the Kansas Board of Regents for Western Kansas. The problem is Kansas students want a Kansas degree but are restricted to earning a Wisconsin degree.
- In Spring 2004, Labette Community College wished to partner with another institution outside the State of Kansas to deliver higher level, more in-depth technology courses and certificates than the college was able to provide on its own. The college did not wish to duplicate and offer all of the courses or certificates due to the cost prohibitive nature of the program. The potential agreement was for online courses and certificates and included revenue sharing. K.S.A. 71-202 prevented Labette Community College from contracting with the outside institution to offer the courses and certificates to Kansas students.
- In February 2005, Fort Scott Community College submitted a request to offer an Associate of Applied Science degree in Dental Hygiene with North Central Technical College in Wisconsin. Fort Scott Community College can not afford the expense of developing and offering a complete Dental Hygiene program. K.S.A. 71-202 prevents Fort Scott Community College from directly contracting with North Central Technical College in Wisconsin. Again, Kansas students will receive a Wisconsin degree and not a Kansas degree.

It is important that I share with you the following background on this issue. In researching the legislative history of K.S.A. 71-202, we were unable to determine its exact history and why it was enacted. However, during testimony before the Senate Education Committee, one Senator was able to shed some light on the origin of the statute in question. Apparently, 33 years ago, a trustee of one of the state's community colleges was intent on establishing a dude-ranching program in collaboration with a Wyoming dude ranch. Well, a state legislator did not agree with the importance of such a program and that is essentially how K.S.A. 71-202 came to be.

In summary, the Kansas Board of Regents supports the repeal of K.S.A. 71-202. Repealing K.S.A. 71-202 will provide the State's community colleges the opportunity to enter into agreements with other institutions and organizations to better serve the needs of the citizens of Kansas. Staff research found no evidence of comparable restrictions placed upon other sectors of postsecondary education in Kansas.

Thank you for the opportunity to comment. I will be happy to answer any questions.

Sec. 1. K.S.A. 71-202 is hereby amended to read as follows: 71-202. Whenever a contract is made by a community college with one or more public or private institutions or agencies located outside the state of Kansas for academic or vocational education, the provisions of this section shall apply thereto.

(a) Such contracts shall be made only with respect to places of instruction located in one or more states adjoining the state of Kansas.

(b) Whenever such a contract is made with a private agency or institution, the same shall be limited to courses or programs related to the healing arts or medical skills or techniques and medical science. Every such contract shall contain a provision that the same may be nullified by a written notice at any time prior to May 1 of any year, with the nullification taking effect on June 1 of such year.

(c) Such contracts shall be subject to limitation, change or termination by the legislature, and shall contain a provision to such effect.

(d) No such agreement shall take effect until approved by the state board.

Every board of trustees which makes a contract to which this section applies shall make such periodic and special reports of statistical and financial information to the state board as it may request. The state board and its officers and agents may inspect and audit any of the financial records of any such board and may enter and inspect any physical facility related to any such contract whether in this state or in another state.

HOUSE BILL No. 2489

By Committee on Taxation

2-21

9 AN ACT concerning adult basic education programs; relating to tax levy
10 authority of governing bodies of technical colleges and school boards;
11 amending ~~K.S.A. 72-4523~~ and K.S.A. 2004 Supp. 72-4470a and re-
12 pealing the existing sections.
13

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

15 Section 1. K.S.A. 2004 Supp. 72-4470a is hereby amended to read
16 as follows: 72-4470a. (a) On or before July 1, 2005, all technical college
17 boards shall develop and present to the state board of regents a plan to
18 replace the governing body described in K.S.A. 72-4470, and amend-
19 ments thereto, with a new governing board, which shall be separate and
20 independent of any board of education of any school district, to operate,
21 control and manage the technical college. The plan shall include, but not
22 be limited to, provisions relating to:

- 23 (1) ~~The composition of the independent governing board;~~
24 (2) ~~the territory of the technical college. If the territory of the tech-~~ service
25 ~~nical college includes more than one county, the plan shall designate a~~
26 ~~home county;~~
27 (3) the method of election or appointment and the terms of service
28 of the members of the independent governing board;
29 (4) the date upon which the independent governing board shall as-
30 sume management and control of the technical college;
31 (5) the manner, terms upon which and extent to which the facilities,
32 will be transferred to the independent governing board and the division
33 of other assets and indebtedness and other liabilities; and
34 (6) the manner and terms upon which faculty, employees and stu-
35 dents will be transferred to the independent governing board. Subject to
36 the provisions of K.S.A. 2004 Supp. 72-4478, and amendments thereto,
37 such provisions shall specify terms of employment and address other per-
38 sonnel matters.

39 (b) (1) Upon approval of the plan by the state board of regents and
40 the governing body of the technical college which submitted the plan,
41 and on the date determined in the approved plan, the independent gov-
42 erning board established under subsection (a) of this section shall operate
43 subject to the rules, regulations and supervision of the state board of

.The boundaries of services territories shall be drawn so that no county is split between two between two or more territories

1 regents in the same manner as other technical colleges, technical schools
2 and area vocational technical schools.

3 (2) After June 30, 2007, if the governing body of the technical college
4 and the state board of regents have not approved a plan submitted pur-
5 suant to subsection (a), the state board of regents shall have the power
6 to approve the plan and upon such approval and on the date determined
7 in the approved plan, the independent governing board established pur-
8 suant to subsection (a) shall operate subject to the rules, regulations and
9 supervision of the state board of regents in the same manner as other
10 technical colleges, technical schools and area vocational technical schools.

11 (c) In addition to such other powers expressly granted by law and
12 subject to the provisions of subsection (b), the governing board shall have
13 the power to:

14 (1) Determine the vocational, technology and general education
15 courses of instruction that will comprise the associate of applied science
16 degree programs of the college;

17 (2) establish the requirements for satisfactory completion of the as-
18 sociate of applied science degree programs of the college;

19 (3) confer the associate of applied science degree upon students who
20 successfully complete an associate of applied science degree program of
21 the college and to award a certificate or diploma to students who suc-
22 cessfully complete a vocational education program of the college;

23 (4) appoint teaching staff and fix and determine teacher qualifica-
24 tions, duties and compensation. No teacher appointed to teach courses
25 comprising the associate of applied science degree programs of the col-
26 lege shall be required to meet certification requirements greater than
27 those required in the state educational institutions;

28 (5) have custody of, and be responsible for, the property of the col-
29 lege and be responsible for the operation, management and control of
30 the college;

31 (6) select a chairperson and such other officers as it deems desirable,
32 from its membership;

33 (7) sue and be sued;

34 (8) appoint and fix the compensation and term of office of a president
35 or chief administrative officer of the college;

36 (9) fix and determine, within state adopted standards, all other em-
37 ployees' qualifications, duties, compensation and all other items and con-
38 ditions of employment;

39 (10) enter into contracts;

40 (11) accept any gifts, grants or donations;

41 (12) acquire and dispose of real or personal property;

42 (13) enter into lease agreements as lessor of any property owned or
43 controlled by the college;

- 1 (14) adopt any rules and regulations, not inconsistent with any law or
2 any rules and regulations of the state board of regents, which are neces-
3 sary for the administration and operation of the college or for the conduct
4 of business of the governing board;
- 5 (15) contract with one or more agencies, either public or private,
6 whether located within or outside the territory of the college or whether
7 located within or outside the state of Kansas for the conduct by any such
8 agency of academic or vocational education for students of the college
9 and to provide for the payment to any such agency for the contracted
10 educational services from any funds or moneys of the college, including
11 funds or moneys received from student tuition and fees;
- 12 (16) appoint as its resident agent for the purpose of service of process,
13 either the president of the technical college or the chairperson of the
14 governing board, or both;
- 15 (17) take any other action, not inconsistent with any law or any rules
16 and regulations of the state board of regents, which is necessary or inci-
17 dental to the establishment, operation and maintenance of the college;
- 18 (18) issue bonds for capital improvement projects, enter into bond
19 covenants and take such ancillary action as the governing board approves,
20 relating thereto except that such bonds shall not be secured by a pledge
21 of any property tax revenues of the technical college; ~~and~~
- 22 (19) enter into agreements with counties relating to funding for cap-
23 ital improvement projects at technical colleges; ~~and~~
- 24 (20) ~~levy a tax in an amount deemed necessary by the governing~~
25 ~~board on all taxable tangible property within the territory of the technical~~
26 ~~college to maintain and operate an adult basic education program at a~~
27 ~~level approved by the state board of regents and to pay a portion of the~~
28 ~~principal and interest on bonds issued by cities under K.S.A. 12-1774,~~
29 ~~and amendments thereto, for the financing of redevelopment projects~~
30 ~~upon property located within the territory.~~
- 31 Sec. 2. K.S.A. 72-4523 is hereby amended to read as follows: 72-
32 4523: (a) Subject to the provisions of subsection (b), the board of any
33 school district may make an annual tax levy for a period of not to exceed
34 five years in an amount not to exceed ½ mill upon the assessed taxable
35 tangible property within the school district to maintain and operate an
36 adult basic education program at a level approved by the state board and
37 for the purpose of paying a portion of the principal and interest on bonds
38 issued by cities under authority of K.S.A. 12-1774, and amendments
39 thereto, for the financing of redevelopment projects upon property lo-
40 cated within the school district. Proceeds from the tax levy, except for an
41 amount to pay a portion of the principal and interest on bonds issued by
42 cities under authority of K.S.A. 12-1774, and amendments thereto, for
43 the financing of redevelopment projects upon property located within the

1 school district, shall be deposited in the adult education fund of the school
 2 district, which fund is hereby established. Notwithstanding any other pro-
 3 vision of law, all moneys received by the school district from whatever
 4 source for adult basic education shall be credited to the adult education
 5 fund established by this section. The expenses of a school district directly
 6 attributable to adult basic education shall be paid from the adult educa-
 7 tion fund.

8 (b) No tax levy shall be made under this section until a resolution
 9 authorizing the levy is passed by the board and published once a week
 10 for three consecutive weeks in a newspaper having general circulation in
 11 the school district. The resolution shall specify the millage rate of the tax
 12 levy and the period of time for which the tax levy shall be made under
 13 authority thereof. After adoption of the resolution, the levy may be made
 14 unless, within 90 days following the last publication of the resolution, a
 15 petition in opposition to the levy, signed by not less than 5% of the qual-
 16 ified electors of the school district is filed with the county election officer
 17 of the home county of the school district. In the event a petition is filed,
 18 the tax shall not be levied without the question of levying the same having
 19 been submitted to and approved by a majority of the qualified electors
 20 of the school district voting at an election which shall be called for that
 21 purpose or at the next general election.

22 (c) *No tax levy shall be made under this section by the board of any*
 23 *school district which is located within the territory of a technical college*
 24 *which has levied a tax on all taxable tangible property within the territory*
 25 *of such technical college to maintain and operate an adult basic education*
 26 *program pursuant to K.S.A. 72-4470a, and amendments thereto.*

27 (d) The board of any school district which has made a tax levy au-
 28 thorized under the provisions of this section may initiate procedures to
 29 renew its authority to make such a tax levy at any time after the final levy
 30 under a current authorization is certified to the county clerk.

31 ~~Sec. 3. K.S.A. 72-4523 and K.S.A. 2004 Supp. 72-4470a are hereby~~
 32 ~~repealed.~~

33 Sec. 4. This act shall take effect and be in force from and after its
 34 publication in the statute book.

INSERT
 Attached

1 New Sec. 2. On or before September 15, 2005, the state board of regents
2 shall determine the service territory of each technical college. The boundaries of
3 service territories shall be drawn so that no county is split between two or more
4 territories.

5 New Sec. 3. The governing body of any technical college and the board of
6 education of any school district may enter into contracts relating to the provision
7 of adult basic education programs.

8 New Sec. 4. The governing body of a technical college may charge fees
9 and tuition at a rate that is higher for students who are not residents of the service
10 territory of the technical college than the fees and tuition charged for residents of
11 the service territory.

12 New Sec. 5. The state board of regents shall review and approve the
13 budget of each technical college.

14 New Sec. 6. (a) The governing body of a technical college may adopt a
15 local option budget in an amount not to exceed an amount equal to 25% of the
16 amount of state financial aid received by the technical college. The governing
17 body shall adopt a resolution adopting a local option budget and stating the
18 amount of the proposed budget. Such resolution shall be published least once in a
19 newspaper having general circulation in each county within the service territory.
20 Such local option budget may be adopted, unless a petition in opposition to the
21 resolution, signed by not less than 10% of the qualified electors of each county
22 within the service territory of the technical college is filed with the county
23 election officer of the home county of the technical college within 30 days after
24 publication of the resolution. If a petition is filed, the county election officer of
25 the home county of the technical college service territory shall submit the
26 question of whether adoption of the local option budget shall be authorized to the
27 electors of the service territory at an election called for the purpose or at the next
28 general election, as is specified by the governing body. If a sufficient petition is
29 not filed, the governing body may adopt a local option budget. If a sufficient
30 petition is filed, the governing body may notify the county election officer of the
31 date of an election to be held to submit the question of whether adoption of a local
32 option budget shall be authorized. If the governing body fails to notify the county
33 election officer within 30 days after a petition is filed, the resolution shall be
34 deemed abandoned and no like resolution shall be adopted within the nine months
35 following publication of the resolution. Any such election shall be noticed, called
36 and held in the manner provided by K.S.A. 10-120, and amendments thereto, for
37 the noticing, calling and holding of elections upon the question of issuing bonds
38 under the general bond law. If a sufficient petition is filed, and the resolution is
39 submitted for approval of the electors, such resolution shall not be effective unless
40 approved by a majority of the qualified electors of each county within the service
41 territory voting at the election called and held thereon.

1 Once authorized to adopt a local option budget as provided under this
2 subsection, a technical college may adopt a local option budget each year as long
3 as such budget does not exceed the percentage of state financial aid as stated in
4 the resolution for the adoption of the initial local option budget. Such budget shall
5 not be subject to protest and election.

6 (b) A technical college may increase the amount of the local adoption
7 budget in the same manner and subject to the same conditions imposed under
8 subsection (a) for the adoption of the initial local option budget. No technical
9 college may adopt a local option budget under the provisions of this subsection in
10 an amount which exceeds an amount equal to 25% of the amount of state financial
11 aid received by the technical college.

12 (c) There is hereby established in every technical college that adopts a
13 local option budget a fund which shall be called the supplemental general fund.
14 The fund shall consist of all amounts deposited therein or credited thereto
15 according to law. Amounts in the supplemental general fund may be expended
16 for any purpose for which expenditures from the general fund are authorized or
17 may be transferred to the general fund of the technical college or to any other
18 fund of the technical college.

19 (d) Each year that the governing body has adopted a local option budget,
20 the governing body may levy an ad valorem tax on the taxable tangible property
21 of the service territory for the purpose of financing that portion of the local option
22 budget of the technical college which is not financed from any other source
23 provided by law and for the purpose of paying a portion of the principal and
24 interest on bonds issued by cities under authority of K.S.A. 12-1774, and
25 amendments thereto, for the financing of redevelopment projects upon property
26 located within the service territory. The proceeds from the tax levied under
27 authority of this section, except the proceeds of such tax levied for the purpose of
28 paying a portion of the principal and interest on bonds issued by cities under
29 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
30 redevelopment projects upon property located within the service territory district,
31 shall be deposited in the supplemental general fund of the technical college.

32 (e) As used in this section, "state financial aid" means all money
33 appropriated by the legislature for the operation and maintenance of a technical
34 college.

35

House Higher Education Committee

March 7, 2005

Testimony

From

Kenneth A. Clouse, President of Northwest Kansas Technical College

Greetings Chairman Sloan and committee members.

I am unable to physically be present today, but I want to share my views and those of several of the Board of Control members of Northwest Kansas Technical College.

First, we are very appreciative of your efforts to assist the technical colleges with funding sources. It has been and continues to be difficult to garner the financial support needed to adequately respond to workforce needs in Kansas. The technical institutions could and should be in a position to react to employer needs, but without more funding this has not been possible.

As we understand the current proposal of developing a local option budget authority for the technical colleges, we find this to be an option that we can marginally support because it places the burden for additional support on the local citizens. Because we are a global economy, and jobs are located throughout the state and not just within our regional communities and this form of funding does not seem to serve our needs. Our enthusiasm for additional finances would be much greater if the proposal included all 105 counties as is practiced in the 1 mill age received by the universities through the Educational Facilities Fund. This tax is on all property within Kansas and all property owners pay this tax equally. We believe this approach truly spreads the cost of technical college education more equally to the residents of Kansas. A proposal of mill age assessment across the entire state of Kansas is our recommendation because job opportunities are across the state and not just within our service areas. This approach could be attached to the current taxing authority already in use and designated for the technical college capital improvements and acquisitions. This would free up other funds within the technical college operational budgets that are currently used for capital improvements to be utilized for necessary operational costs. This approach would really assist the technical colleges in being more responsive to the workforce needs of our state.

Again, thank you for your efforts to assist the technical colleges. If you wish to discuss these views further, call me at 785.899.3641 or email me at kclouse@mail.nwktc.org. Thank you for the opportunity to submit our views.



The TECHNICAL COLLEGE
MANHATTAN AREA TECHNICAL COLLEGE

Monday, March 07, 2005

Manhattan Area Technical College's Stand on HB 2489

On behalf of our Board of Directors, Manhattan Area Technical College supports HB 2489 with two reservations.

1. It is our hope that any revenue generated for the College will act as a supplement to our present budget and not become a means to supplant such revenue.

Manhattan Area Technical College is in the process of expanding its offerings from the traditional day programs to day, evening, and weekend programs in order to serve a wider constituency than we have in the past. We anticipate doubling our enrollment within the next year and plan to do so with no additional revenue. The College may also be opening satellite sites in some of our neighboring counties and would therefore benefit from all sources of revenue that we could secure.

2. Manhattan Area Technical College requests that the proposed Service Territory that was submitted to the Kansas Board of Regents be made official in order that we might define who will be subject to the proposed Local Option Budget.

By defining our service area, we would be better equipped to work with the citizens of the surrounding counties to educate them as to the benefits of technical education in their communities. Education begets growth and growth begets prosperity, but neither will occur without a concerted effort by the College should HB 2489 pass and become statute.

Manhattan Area Technical College applauds Representative Sloan's efforts and the efforts of all legislators who recognize the value of all education throughout the State of Kansas. Recognition that each educational institution adds to the overall prosperity of the State, and that the individual Colleges are not competing with each other but are complimenting each other, is a great step forward.

Optimistically hopeful,

Rob Edleston, Ed.D
President
Manhattan Area Technical College

**TESTIMONY PRESENTED TO THE
HOUSE HIGHER EDUCATION COMMITTEE**

**By Mary Ellen Conlee
For the Wichita Area Technical College
March 7, 2005**

Chairman Sloan, members of the committee, I am Mary Ellen Conlee representing the Wichita Area Technical College (WATC). Thank you for providing an opportunity for me to explain why we need HB 2489.

HB 2489 amends 2003 legislation referred to as SB 7, which established a procedure for the transition of technical colleges from K-12 school board governance to independent governance. In reviewing SB 7, it became clear that in some jurisdictions, the new boards would need additional statutory authority to levy a tax for the purpose of continuing to carry out Adult Basic Education programming (ABE).

Currently, school districts have the authority in K.S.A. 72-4523 to levy a tax at a level deemed necessary to cover the cost of providing ABE instruction. Two technical colleges, Flint Hills in Emporia and WATC in Wichita currently provide the entirety of the ABE programming in their jurisdictions. The school boards in those two areas have agreed that this taxing authority needs to be handed over to the new governing board of the technical college, requiring the legislation that is before you. This would not constitute a new tax, but would simply allow the jurisdiction that has the responsibility to provide the programs the power to levy the tax directly. The legislation clearly allows a tax levy only at a level that covers the cost of providing the ABE program as approved by the Kansas Board of Regents.

A similar bill that passed the Kansas House of Representatives in 2004 did not reach the Senate in time for a hearing. Because of a couple of unrelated amendments, the Senators on the Tax Conference Committee were unwilling to include the bill in the 2004 Omnibus Tax Bill.

At WATC we work with over 1000 students per year in adult certificate and literacy programs, English as a Second Language (ESOL) as well as GED and Competency Based Diplomas. The program has 14.1 FTEs and a budget of \$1.5 million. USD 259 has levied a property tax that raises about \$1.0 million. Statutory authority allows these funds to be spent only on KBOR approved ABE instruction. In addition, the state contributes \$34,191 and the federal aid adds \$253,800. The remainder of the \$1.5 million budget comes from carry over funds. As the level of federal funding is not available when budgets are prepared, the program allows ending balances to be carried over to a new year.

The State of Kansas through the Kansas Board of Regents oversees ABE programs to be sure that they meet state and national standards.

When reviewing HB 2489 with Representative Sloan and your committee staff, we realized that an amendment was needed to specify that the tax could be levied only in the home county as defined in the official transition to independent governance plan. This amendment is presented for your consideration.

As a second issue, Representative Sloan has asked that we address the broader concept of a taxing authority for technical colleges. Clearly, the formula for post secondary technical training assistance provides inadequate funding for post secondary technical schools and colleges. It is not responsive to the community demand. It does not respond to increased credit hour production. The formula has provided declining funding for post secondary technical training over the past five years. At the same time the business community is demanding better technically trained workers.

At WATC state funding covers about 60% of the cost when the statutory requirement is 85%. For the current fiscal year WATC reduced its spending by 23% and without addition funding, the college will have to reduce its budget by another 12 – 15% for the next fiscal year.

Recognizing the need for a technically trained workforce, the Sedgwick County Commission has established a new Sedgwick County Technical Education and Training Authority to determine technical training needs and work with the local colleges to address those needs. If efforts to continue the phase out of out district tuition are successful, the Sedgwick County Commission may provide assistance for the college for the next fiscal year. If new money is not forthcoming, we have no other options than to discontinue course offerings.

- We have increased tuition nearly as much as we can.
- We have spent down reserves as far as we can.
- We do not have independent access to local property taxes.
- We cannot increase revenues by offering more courses, because state aid does not respond to credit hour production and tuition covers a maximum of 60% of cost.

Representative Sloan visited with representatives from the technical schools and colleges about a conceptual Local Option Budget authority, similar to the K-12 approach. While Camille Kluge, the President of WATC and I discussed this concept and found it intriguing, we have not been able to present the concept to the WATC Governing Board. Therefore, we would appreciate assistance from this committee in assuring that that funding challenges facing post secondary schools and colleges be studied by an interim committee. The conceptual proposal for an LOB funding mechanism would be a good staring place.

At this time, please support the original HB 2489 which allows the transfer of the ABE tax levy authority from a unified school district to the new technical college board of directors if the technical college is responsible for the ABE programming.

Session of 2005

HOUSE BILL No. 2489

By Committee on Taxation

2-21

9 AN ACT concerning adult basic education programs; relating to tax levy
10 authority of governing bodies of technical colleges and school boards;
11 amending K.S.A. 72-4523 and K.S.A. 2004 Supp. 72-4470a and re-
12 pealing the existing sections.
13

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

15 Section 1. K.S.A. 2004 Supp. 72-4470a is hereby amended to read
16 as follows: 72-4470a. (a) On or before July 1, 2005, all technical college
17 boards shall develop and present to the state board of regents a plan to
18 replace the governing body described in K.S.A. 72-4470, and amend-
19 ments thereto, with a new governing board, which shall be separate and
20 independent of any board of education of any school district, to operate,
21 control and manage the technical college. The plan shall include, but not
22 be limited to, provisions relating to:

23 (1) The composition of the independent governing board;
24 (2) the territory of the technical college. ~~If the territory of the tech-~~
25 ~~nical college includes more than one county, the plan shall designate a~~
26 ~~home county;~~

and the

of the technical college

27 (3) the method of election or appointment and the terms of service
28 of the members of the independent governing board;
29 (4) the date upon which the independent governing board shall as-
30 sume management and control of the technical college;
31 (5) the manner, terms upon which and extent to which the facilities,
32 will be transferred to the independent governing board and the division
33 of other assets and indebtedness and other liabilities; and
34 (6) the manner and terms upon which faculty, employees and stu-
35 dents will be transferred to the independent governing board. Subject to
36 the provisions of K.S.A. 2004 Supp. 72-4478, and amendments thereto,
37 such provisions shall specify terms of employment and address other per-
38 sonnel matters.

39 (b) (1) Upon approval of the plan by the state board of regents and
40 the governing body of the technical college which submitted the plan,
41 and on the date determined in the approved plan, the independent gov-
42 erning board established under subsection (a) of this section shall operate
43 subject to the rules, regulations and supervision of the state board of

1 regents in the same manner as other technical colleges, technical schools
2 and area vocational technical schools.

3 (2) After June 30, 2007, if the governing body of the technical college
4 and the state board of regents have not approved a plan submitted pur-
5 suant to subsection (a), the state board of regents shall have the power
6 to approve the plan and upon such approval and on the date determined
7 in the approved plan, the independent governing board established pur-
8 suant to subsection (a) shall operate subject to the rules, regulations and
9 supervision of the state board of regents in the same manner as other
10 technical colleges, technical schools and area vocational technical schools.

11 (c) In addition to such other powers expressly granted by law and
12 subject to the provisions of subsection (b), the governing board shall have
13 the power to:

14 (1) Determine the vocational, technology and general education
15 courses of instruction that will comprise the associate of applied science
16 degree programs of the college;

17 (2) establish the requirements for satisfactory completion of the as-
18 sociate of applied science degree programs of the college;

19 (3) confer the associate of applied science degree upon students who
20 successfully complete an associate of applied science degree program of
21 the college and to award a certificate or diploma to students who suc-
22 cessfully complete a vocational education program of the college;

23 (4) appoint teaching staff and fix and determine teacher qualifica-
24 tions, duties and compensation. No teacher appointed to teach courses
25 comprising the associate of applied science degree programs of the col-
26 lege shall be required to meet certification requirements greater than
27 those required in the state educational institutions;

28 (5) have custody of, and be responsible for, the property of the col-
29 lege and be responsible for the operation, management and control of
30 the college;

31 (6) select a chairperson and such other officers as it deems desirable,
32 from its membership;

33 (7) sue and be sued;

34 (8) appoint and fix the compensation and term of office of a president
35 or chief administrative officer of the college;

36 (9) fix and determine, within state adopted standards, all other em-
37 ployees' qualifications, duties, compensation and all other items and con-
38 ditions of employment;

39 (10) enter into contracts;

40 (11) accept any gifts, grants or donations;

41 (12) acquire and dispose of real or personal property;

42 (13) enter into lease agreements as lessor of any property owned or
43 controlled by the college;

1 (14) adopt any rules and regulations, not inconsistent with any law or
2 any rules and regulations of the state board of regents, which are neces-
3 sary for the administration and operation of the college or for the conduct
4 of business of the governing board;

5 (15) contract with one or more agencies, either public or private,
6 whether located within or outside the territory of the college or whether
7 located within or outside the state of Kansas for the conduct by any such
8 agency of academic or vocational education for students of the college
9 and to provide for the payment to any such agency for the contracted
10 educational services from any funds or moneys of the college, including
11 funds or moneys received from student tuition and fees;

12 (16) appoint as its resident agent for the purpose of service of process,
13 either the president of the technical college or the chairperson of the
14 governing board, or both;

15 (17) take any other action, not inconsistent with any law or any rules
16 and regulations of the state board of regents, which is necessary or inci-
17 dental to the establishment, operation and maintenance of the college;

18 (18) issue bonds for capital improvement projects, enter into bond
19 covenants and take such ancillary action as the governing board approves,
20 relating thereto except that such bonds shall not be secured by a pledge
21 of any property tax revenues of the technical college; ~~and~~

22 (19) enter into agreements with counties relating to funding for cap-
23 ital improvement projects at technical colleges; *and*

24 (20) *levy a tax in an amount deemed necessary by the governing*
25 *board on all taxable tangible property within the ~~territory~~ of the technical*
26 *college to maintain and operate an adult basic education program at a*
27 *level approved by the state board of regents and to pay a portion of the*
28 *principal and interest on bonds issued by cities under K.S.A. 12-1774,*
29 *and amendments thereto, for the financing of redevelopment projects*
30 *upon property located within the ~~territory~~.* ←

home county

31 Sec. 2. K.S.A. 72-4523 is hereby amended to read as follows: 72-
32 4523. (a) Subject to the provisions of subsection (b), the board of any
33 school district may make an annual tax levy for a period of not to exceed
34 five years in an amount not to exceed ½ mill upon the assessed taxable
35 tangible property within the school district to maintain and operate an
36 adult basic education program at a level approved by the state board and
37 for the purpose of paying a portion of the principal and interest on bonds
38 issued by cities under authority of K.S.A. 12-1774, and amendments
39 thereto, for the financing of redevelopment projects upon property lo-
40 cated within the school district. Proceeds from the tax levy, except for an
41 amount to pay a portion of the principal and interest on bonds issued by
42 cities under authority of K.S.A. 12-1774, and amendments thereto, for
43 the financing of redevelopment projects upon property located within the

1 school district, shall be deposited in the adult education fund of the school
 2 district, which fund is hereby established. Notwithstanding any other pro-
 3 vision of law, all moneys received by the school district from whatever
 4 source for adult basic education shall be credited to the adult education
 5 fund established by this section. The expenses of a school district directly
 6 attributable to adult basic education shall be paid from the adult educa-
 7 tion fund.

8 (b) No tax levy shall be made under this section until a resolution
 9 authorizing the levy is passed by the board and published once a week
 10 for three consecutive weeks in a newspaper having general circulation in
 11 the school district. The resolution shall specify the millage rate of the tax
 12 levy and the period of time for which the tax levy shall be made under
 13 authority thereof. After adoption of the resolution, the levy may be made
 14 unless, within 90 days following the last publication of the resolution, a
 15 petition in opposition to the levy, signed by not less than 5% of the qual-
 16 ified electors of the school district, is filed with the county election officer
 17 of the home county of the school district. In the event a petition is filed,
 18 the tax shall not be levied without the question of levying the same having
 19 been submitted to and approved by a majority of the qualified electors
 20 of the school district voting at an election which shall be called for that
 21 purpose or at the next general election.

22 (c) *No tax levy shall be made under this section by the board of any*
 23 *school district which is located within the [territory] of a technical college*
 24 *which has levied a tax on all taxable tangible property within the [territory]*
 25 *of such technical college to maintain and operate an adult basic education*
 26 *program pursuant to K.S.A. 72-4470a, and amendments thereto.*

home county

27 (d) The board of any school district which has made a tax levy au-
 28 thorized under the provisions of this section may initiate procedures to
 29 renew its authority to make such a tax levy at any time after the final levy
 30 under a current authorization is certified to the county clerk.

31 Sec. 3. K.S.A. 72-4523 and K.S.A. 2004 Supp. 72-4470a are hereby
 32 repealed.

33 Sec. 4. This act shall take effect and be in force from and after its
 34 publication in the statute book.

March 7, 2005

Representative Sloan
Chairman
House Committee on Education

Chairman Sloan and members of the committee:

Thank you for allowing me to present this information. As the Director of Southwest Kansas Technical School, located in Liberal, Kansas, I am truly appreciative of your efforts to assist the technical schools and colleges in finding more funding to adequately prepare our students for the workforce. As we all know, a well trained workforce is vital to our success as a state both today and in the future. We are all also aware of the statistics that tell us that 20% of the workforce has for the past 50 years needed a Bachelor's Degree or higher but, 70% to 80% of the workforce needs some training beyond high school, but not a Bachelor's Degree. That training is exactly what we, as technical schools and colleges, do.

My concerns about your proposal to allow technical colleges to have local taxing authority are two-fold. First, because the need for a well training workforce has always been a need shared by the entire state, the funding for that training given at the technical schools and colleges has always been a state wide issue. While the funding for the State Statute requirement of 85% state funding and 15% student funding has not always been fully funded, it has been a state wide issue. With your proposal, there will be a major change in philosophy of moving the responsibility and burden of adequate funding away from the state and to the local tax payer. I believe this will add an unfair burden on some areas of the state and cause a greater disparity in the funding of technical education. If, for example, my school decided to become a technical college (which we have no intention of doing), there would be five governmental bodies trying to get part of their funding from the local tax payers: the USD, the community college, the city government, the county government, and the technical college. I do not believe that the local tax payers would be supportive of such an arrangement.

My second concern is the implied belief that because technical schools are still tied to their local USD, that the technical school shares in the LOB of the USD. This is certainly not true for my school, and while I can not speak for the other technical schools, it is my understanding that they operate the same way we do. We have an approved operating budget which is funded to some degree or another depending on legislation, and we must then operate our school with that funding. It is true that all technical schools and colleges get some funding for teaching secondary students, but that is pass-through funding that comes to the local school districts with the 0.5 funding for technical education from the Kansas State Department of Education. That funding is to offset the expense of

educating high school students at a technical school or technical college. If the technical schools were to be able to have the same opportunity for the extra funding that you are debating, it would require the local USD to have a second LOB. Again, I believe this would add an undue hardship on some areas of the state and cause an inadequate funding of some of the technical schools.

I realize that adequate funding for education in general and technical education specifically, is an extremely complicated matter. I truly appreciate your efforts to be of assistance to the technical schools and colleges. However, I believe that the shift away from state wide funding to local funding would, in the end, have a devastating effect on technical education throughout the state.

Ed Poley
Director
Southwest Kansas Technical School
Liberal, Ks

KANSAS
ASSOCIATION



OF
SCHOOL
BOARDS

1420 SW Arrowhead Road • Topeka, Kansas 66604-4024
785-273-3600

Testimony on
HB 2489 – Adult Basic Education Program

Before the
House Committee on Higher Education

By Mark Tallman, Assistant Executive Director/Advocacy
March 7, 2005

Mr. Chairman, Members of the Committee:

Thank you for the opportunity to comment on **HB 2489**. This bill would give technical colleges the authority to adopt a mill levy to support an adult basic education (ABE) program. It would also prohibit local school districts from adopting an ABE levy within the territory of a technical college that has such a levy.

The members of KASB have not adopted a position on this bill. However, in reviewing the bill, we wanted to share with the Committee some questions or concerns that might arise. It is our understanding that the “territory” of technical colleges has not been defined in every case. Therefore, we don’t know how large a territory might be defined in a way that excludes school districts from adopting a mill levy for ABE programs. That might raise issue of distance and access.

Second, if the territory of technical colleges is not defined, there could be issues arising from the fact that school district boundaries do not follow county boundaries. It is quite likely that a small portion of a school district’s territory could be within that of a technical college, but most of the school district would be outside of that area. How would that effect the taxing authority of the school district?

Finally, we would note that school districts are limited to ½ of a mill for ABE levies, although the Legislature has “suspended” most levy limits. School district authority is subject to protest petition. It does not appear that this bill makes the action of a technical college to adopt this levy subject to protest.

Thank you for your consideration.



March 7, 2005

Testimony before the House Higher Education Committee

Chairman Sloan & members of the committee:

Thank you for the opportunity to appear before you today to describe the state of technical education in Kansas. My name is Steve Kearney, Executive Director of the Kansas Association of Technical Schools and Colleges.

Since Senate Bill 7 was passed into law, we have four institutions that are currently seeking HLC accreditation. They are: Flint Hills Technical College in Emporia; Wichita Area Technical College; Northwest Technical College in Goodland; and Manhattan Technical College. North Central Technical College in Beloit is currently HLC accredited.

Our institutions are at a critical crossroads in their history. The technical schools and colleges in the state of Kansas are in a unique situation when it comes to funding their institutions. Our institutions have only two sources of revenue to deliver technical education. They are state appropriations and student tuition. We are the only educational institutions in the state of Kansas that have no mill levy authority for funding.

Our funding formula is simple for post-secondary students. The state is required to pay for 85% of the cost of the education and the student is to fund the remaining 15%. The state funding formula for technical schools and colleges has not been funded at the 85% level since 1999. It is estimated that an additional \$5 million would be needed to satisfy this statutory requirement.

I have attached to my testimony charts that illustrate the lack of funding to technical institutions and the increasing costs to our students. All of our institutions have had to raise student tuition over the last three years. Our technical schools and colleges are now in a position to have to cut programs than increase tuition any further.

The amendments outlined in HB 2489 would give local technical college governing boards the authority to levy up to 25% of the postsecondary aid received by that college. The tax would be levied across the service territory of the technical college. At the current time, technical colleges do not have defined service territories.

The technical schools would not be included in the provisions of HB 2489 because they are governed by Unified School Districts that have local option budget taxing authority.

In closing, KATSC at this time does not have a position on the proposed amendments to HB 2489. As you have heard for several years, the technical schools and colleges are desperately in need of funding assistance. If the public policy of this state is to not fully fund the 85/15 funding formula, then local option taxing authority may be the only viable means to sustain our technical colleges.

Respectfully submitted.

House Higher Education Committee
3/7/05
Attachment 10

Kansas Technical Schools and Colleges STATE FUNDING

1-24-05

Proposed Operating Budget by College			
Source Document: Operating Budget Request	2002-2003	2003-2004	2004-2005
Flint Hills	3,434,234	3,560,315	3,405,126
Kansas City	5,719,826	5,350,685	6,115,054
Kaw	5,423,595	5,404,387	5,594,850
Manhattan	2,709,000	2,818,000	2,750,000
North Central	3,761,164	4,681,543	3,593,950
Northeast	1,997,430	1,894,500	2,009,850
Northwest	2,478,644	2,448,900	2,610,178
Salina	2,442,727	2,326,531	2,412,250
Southwest	2,334,188	2,373,972	2,466,557
Wichita	13,547,383	13,006,091	9,573,810
TOTAL	43,848,191	43,864,924	40,531,625
	8% <i>Increase</i>	0.04% <i>Increase</i>	8% <i>Decrease</i>

Approved Operating Budget			
Source Document: KBOR Operating Budgets	2002-2003	2003-2004	2004-2005
Flint Hills	2,507,877	2,412,578	2,506,669
Kansas City	5,190,546	4,993,305	5,188,044
Kaw	5,104,038	4,910,085	5,101,578
Manhattan	2,676,492	2,574,785	2,675,202
North Central	3,527,952	3,393,890	3,526,252
Northeast	1,661,370	1,598,238	1,660,569
Northwest	2,448,900	2,355,842	2,447,720
Salina	2,413,414	2,321,704	2,412,250
Southwest	2,087,722	2,008,389	2,086,716
Wichita	9,013,515	8,671,001	9,009,170
TOTAL	36,631,826	35,239,817	36,614,170
	12% <i>Decrease</i>	4% <i>Decrease</i>	4% <i>Increase</i>

PSA Entitlement			
Source Document: 85% of Approved Operating Budget	2002-2003	2003-2004	2004-2005
Flint Hills	2,131,695	2,050,691	2,130,669
Kansas City	4,411,964	4,244,309	4,409,837
Kaw	2,690,338	2,561,902	2,652,816
Manhattan	2,275,018	2,188,567	2,273,922
North Central	2,998,759	2,884,807	2,997,314
Northeast	1,412,165	1,358,502	1,411,484
Northwest	2,070,952	1,997,462	2,080,562
Salina	2,051,402	1,973,448	2,050,413
Southwest	1,774,564	1,707,131	1,773,709
Wichita	7,661,488	7,370,351	7,657,795
TOTAL	29,478,345	28,337,171	29,438,519
	12% <i>Decrease</i>	4% <i>Decrease</i>	4% <i>Increase</i>

Kansas Technical Schools and Colleges

STATE FUNDING

1-24-05

Actual PSA Payments Received

Source Document: Each Institution	2002-2003	2003-2004	2004-2005
Flint Hills	1,620,106	1,622,058	1,613,663
Kansas City	2,612,154	2,890,662	2,717,995
Kaw	2,323,349	2,302,587	2,391,897
Manhattan	1,862,705	1,945,875	2,058,334
North Central	2,463,593	2,470,748	2,617,100
Northeast	971,080	983,321	1,054,002
Northwest	1,794,177	1,778,592	1,881,600
Salina	1,485,228	1,532,241	1,631,269
Southwest	1,315,784	1,376,292	1,347,826
Wichita	5,855,052	5,941,543	6,603,045
TOTAL	22,303,228	22,843,919	23,916,731
	2% Decrease	2% Increase	4% Increase

PSA Entitlement versus Actual Received

Source document: Shortage amount for each institution	2002-2003	2003-2004	2004-2005
Flint Hills	(511,589)	(428,633)	(517,006)
Kansas City	(1,799,810)	(1,353,647)	(1,691,842)
Kaw	(366,989)	(259,315)	(260,919)
Manhattan	(412,313)	(242,692)	(215,588)
North Central	(535,166)	(414,059)	(380,214)
Northeast	(441,085)	(375,181)	(357,482)
Northwest	(276,775)	(218,870)	(198,962)
Salina	(566,174)	(441,207)	(419,144)
Southwest	(458,780)	(330,839)	(425,883)
Wichita	(1,806,436)	(1,428,808)	(1,054,750)
TOTAL	(7,175,117)	(5,493,252)	(5,521,788)
	32% Increase	23% Increase	1% Decrease

Kansas Technical Schools and Colleges
STATE FUNDING

1-24-05

Capital Outlay			
Source Document: KBOR Recommended Distribution	2002-2003	2003-2004	2004-2005
Flint Hills	150,705	145,969	149,902
Kansas City	145,610	157,391	165,193
Kaw	181,048	184,628	187,042
Manhattan	160,020	155,226	155,068
North Central	158,268	158,290	162,068
Northeast	125,804	129,973	130,135
Northwest	174,190	173,359	161,191
Salina	144,358	137,987	140,607
Southwest	131,265	125,150	135,669
Wichita	288,702	290,260	237,952
TOTAL	1,659,970	1,658,233	1,624,827
	12%	0.10%	2%
	Decrease	Decrease	Decrease

Tuition (Cost To Student per Credit Hour)			
Source Document: Each Institution	2002-2003	2003-2004	2004-2005
Flint Hills	\$2.27	\$2.47	\$2.70
Kansas City	\$1.34	\$1.50	\$1.50
Kaw	\$1.53	\$1.78	\$2.00
Manhattan	\$1.50	\$1.75	\$1.83
North Central	\$1.27	\$1.77	\$1.93
Northeast	\$1.60	\$1.83	\$1.92
Northwest	\$0.95	\$1.20	\$1.73
Salina	\$1.45	\$1.81	\$1.81
Southwest	\$1.17	\$1.29	\$1.39
Wichita	\$1.30	\$2.00	\$2.50

HOUSE BILL No. 2489

By Committee on Taxation

2-21

9 AN ACT concerning adult basic education programs; relating to tax levy
10 authority of governing bodies of technical colleges and school boards;
11 amending K.S.A. 72-4523 and K.S.A. 2004 Supp. 72-4470a and re-
12 pealing the existing sections.

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

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15 as follows: 72-4470a. (a) On or before July 1, 2005, all technical college
16 boards shall develop and present to the state board of regents a plan to
17 replace the governing body described in K.S.A. 72-4470, and amend-
18 ments thereto, with a new governing board, which shall be separate and
19 independent of any board of education of any school district, to operate,
20 control and manage the technical college. The plan shall include, but not
21 be limited to, provisions relating to:

- 22 (1) ~~The composition of the independent governing board;~~
- 23 (2) ~~the territory of the technical college. If the territory of the tech-~~ service
- 24 ~~nical college includes more than one county, the plan shall designate a~~
- 25 ~~home county;~~
- 26 (3) the method of election or appointment and the terms of service
- 27 of the members of the independent governing board;
- 28 (4) the date upon which the independent governing board shall as-
- 29 sume management and control of the technical college;
- 30 (5) the manner, terms upon which and extent to which the facilities,
- 31 will be transferred to the independent governing board and the division
- 32 of other assets and indebtedness and other liabilities; and
- 33 (6) the manner and terms upon which faculty, employees and stu-
- 34 dents will be transferred to the independent governing board. Subject to
- 35 the provisions of K.S.A. 2004 Supp. 72-4478, and amendments thereto,
- 36 such provisions shall specify terms of employment and address other per-
- 37 sonnel matters.

38 (b) (1) Upon approval of the plan by the state board of regents and
39 the governing body of the technical college which submitted the plan,
40 and on the date determined in the approved plan, the independent gov-
41 erning board established under subsection (a) of this section shall operate
42 subject to the rules, regulations and supervision of the state board of
43

.The boundaries of services territories shall be drawn so that no county is split between two between two or more territories

1 regents in the same manner as other technical colleges, technical schools
2 and area vocational technical schools.

3 (2) After June 30, 2007, if the governing body of the technical college
4 and the state board of regents have not approved a plan submitted pur-
5 suant to subsection (a), the state board of regents shall have the power
6 to approve the plan and upon such approval and on the date determined
7 in the approved plan, the independent governing board established pur-
8 suant to subsection (a) shall operate subject to the rules, regulations and
9 supervision of the state board of regents in the same manner as other
10 technical colleges, technical schools and area vocational technical schools.

11 (c) In addition to such other powers expressly granted by law and
12 subject to the provisions of subsection (b), the governing board shall have
13 the power to:

14 (1) Determine the vocational, technology and general education
15 courses of instruction that will comprise the associate of applied science
16 degree programs of the college;

17 (2) establish the requirements for satisfactory completion of the as-
18 sociate of applied science degree programs of the college;

19 (3) confer the associate of applied science degree upon students who
20 successfully complete an associate of applied science degree program of
21 the college and to award a certificate or diploma to students who suc-
22 cessfully complete a vocational education program of the college;

23 (4) appoint teaching staff and fix and determine teacher qualifica-
24 tions, duties and compensation. No teacher appointed to teach courses
25 comprising the associate of applied science degree programs of the col-
26 lege shall be required to meet certification requirements greater than
27 those required in the state educational institutions;

28 (5) have custody of, and be responsible for, the property of the col-
29 lege and be responsible for the operation, management and control of
30 the college;

31 (6) select a chairperson and such other officers as it deems desirable,
32 from its membership;

33 (7) sue and be sued;

34 (8) appoint and fix the compensation and term of office of a president
35 or chief administrative officer of the college;

36 (9) fix and determine, within state adopted standards, all other em-
37 ployees' qualifications, duties, compensation and all other items and con-
38 ditions of employment;

39 (10) enter into contracts;

40 (11) accept any gifts, grants or donations;

41 (12) acquire and dispose of real or personal property;

42 (13) enter into lease agreements as lessor of any property owned or
43 controlled by the college;

1 (14) adopt any rules and regulations, not inconsistent with any law or
2 any rules and regulations of the state board of regents, which are neces-
3 sary for the administration and operation of the college or for the conduct
4 of business of the governing board;

5 (15) contract with one or more agencies, either public or private,
6 whether located within or outside the territory of the college or whether
7 located within or outside the state of Kansas for the conduct by any such
8 agency of academic or vocational education for students of the college
9 and to provide for the payment to any such agency for the contracted
10 educational services from any funds or moneys of the college, including
11 funds or moneys received from student tuition and fees;

12 (16) appoint as its resident agent for the purpose of service of process,
13 either the president of the technical college or the chairperson of the
14 governing board, or both;

15 (17) take any other action, not inconsistent with any law or any rules
16 and regulations of the state board of regents, which is necessary or inci-
17 dental to the establishment, operation and maintenance of the college;

18 (18) issue bonds for capital improvement projects, enter into bond
19 covenants and take such ancillary action as the governing board approves,
20 relating thereto except that such bonds shall not be secured by a pledge
21 of any property tax revenues of the technical college; and

22 (19) enter into agreements with counties relating to funding for cap-
23 ital improvement projects at technical colleges; and

24 (20) ~~levy a tax in an amount deemed necessary by the governing~~
25 ~~board on all taxable tangible property within the territory of the technical~~
26 ~~college to maintain and operate an adult basic education program at a~~
27 ~~level approved by the state board of regents and to pay a portion of the~~
28 ~~principal and interest on bonds issued by cities under K.S.A. 12-1774,~~
29 ~~and amendments thereto, for the financing of redevelopment projects~~
30 ~~upon property located within the territory.~~

31 Sec. 2. K.S.A. 72-4523 is hereby amended to read as follows: 72-
32 4523. (a) Subject to the provisions of subsection (b), the board of any
33 school district may make an annual tax levy for a period of not to exceed
34 five years in an amount not to exceed $\frac{1}{2}$ mill upon the assessed taxable
35 tangible property within the school district to maintain and operate an
36 adult basic education program at a level approved by the state board and
37 for the purpose of paying a portion of the principal and interest on bonds
38 issued by cities under authority of K.S.A. 12-1774, and amendments
39 thereto, for the financing of redevelopment projects upon property lo-
40 cated within the school district. Proceeds from the tax levy, except for an
41 amount to pay a portion of the principal and interest on bonds issued by
42 cities under authority of K.S.A. 12-1774, and amendments thereto, for
43 the financing of redevelopment projects upon property located within the

1 school district, shall be deposited in the adult education fund of the school
 2 district, which fund is hereby established. Notwithstanding any other pro-
 3 vision of law, all moneys received by the school district from whatever
 4 source for adult basic education shall be credited to the adult education
 5 fund established by this section. The expenses of a school district directly
 6 attributable to adult basic education shall be paid from the adult educa-
 7 tion fund.

8 (b) No tax levy shall be made under this section until a resolution
 9 authorizing the levy is passed by the board and published once a week
 10 for three consecutive weeks in a newspaper having general circulation in
 11 the school district. The resolution shall specify the millage rate of the tax
 12 levy and the period of time for which the tax levy shall be made under
 13 authority thereof. After adoption of the resolution, the levy may be made
 14 unless, within 90 days following the last publication of the resolution, a
 15 petition in opposition to the levy, signed by not less than 5% of the qual-
 16 ified electors of the school district, is filed with the county election officer
 17 of the home county of the school district. In the event a petition is filed,
 18 the tax shall not be levied without the question of levying the same having
 19 been submitted to and approved by a majority of the qualified electors
 20 of the school district voting at an election which shall be called for that
 21 purpose or at the next general election.

22 (c) *No tax levy shall be made under this section by the board of any*
 23 *school district which is located within the territory of a technical college*
 24 *which has levied a tax on all taxable tangible property within the territory*
 25 *of such technical college to maintain and operate an adult basic education*
 26 *program pursuant to K.S.A. 72-4470a, and amendments thereto.*

27 (d) The board of any school district which has made a tax levy au-
 28 thorized under the provisions of this section may initiate procedures to
 29 renew its authority to make such a tax levy at any time after the final levy
 30 under a current authorization is certified to the county clerk.

31 Sec. 3. ~~K.S.A. 72-4523 and K.S.A. 2004 Supp. 72-4470a~~ are hereby
 32 repealed.

33 Sec. 4. This act shall take effect and be in force from and after its
 34 publication in the statute book.

INSERT
 ATTACHED

1 New Sec. 2. On or before September 15, 2005, the state board of regents
2 shall determine the service territory of each technical college. The boundaries of
3 service territories shall be drawn so that no county is split between two or more
4 territories.

5 New Sec. 3. The governing body of any technical college and the board of
6 education of any school district may enter into contracts relating to the provision
7 of adult basic education programs.

8 New Sec. 4. The governing body of a technical college may charge fees
9 and tuition at a rate that is higher for students who are not residents of the service
10 territory of the technical college than the fees and tuition charged for residents of
11 the service territory.

12 New Sec. 5. The state board of regents shall review and approve the
13 budget of each technical college.

14 New Sec. 6. (a) The governing body of a technical college may adopt a
15 local option budget in an amount not to exceed an amount equal to 25% of the
16 amount of state financial aid received by the technical college. The governing
17 body shall adopt a resolution adopting a local option budget and stating the
18 amount of the proposed budget. Such resolution shall be published least once in a
19 newspaper having general circulation in each county within the service territory.
20 Such local option budget may be adopted, unless a petition in opposition to the
21 resolution, signed by not less than 10% of the qualified electors of each county
22 within the service territory of the technical college is filed with the county
23 election officer of the home county of the technical college within 30 days after
24 publication of the resolution. If a petition is filed, the county election officer of
25 the home county of the technical college service territory shall submit the
26 question of whether adoption of the local option budget shall be authorized to the
27 electors of the service territory at an election called for the purpose or at the next
28 general election, as is specified by the governing body. If a sufficient petition is
29 not filed, the governing body may adopt a local option budget. If a sufficient
30 petition is filed, the governing body may notify the county election officer of the
31 date of an election to be held to submit the question of whether adoption of a local
32 option budget shall be authorized. If the governing body fails to notify the county
33 election officer within 30 days after a petition is filed, the resolution shall be
34 deemed abandoned and no like resolution shall be adopted within the nine months
35 following publication of the resolution. Any such election shall be noticed, called
36 and held in the manner provided by K.S.A. 10-120, and amendments thereto, for
37 the noticing, calling and holding of elections upon the question of issuing bonds
38 under the general bond law. If a sufficient petition is filed, and the resolution is
39 submitted for approval of the electors, such resolution shall not be effective unless
40 approved by a majority of the qualified electors of each county within the service
41 territory voting at the election called and held thereon.

1 Once authorized to adopt a local option budget as provided under this
2 subsection, a technical college may adopt a local option budget each year as long
3 as such budget does not exceed the percentage of state financial aid as stated in
4 the resolution for the adoption of the initial local option budget. Such budget shall
5 not be subject to protest and election.

6 (b) A technical college may increase the amount of the local adoption
7 budget in the same manner and subject to the same conditions imposed under
8 subsection (a) for the adoption of the initial local option budget. No technical
9 college may adopt a local option budget under the provisions of this subsection in
10 an amount which exceeds an amount equal to 25% of the amount of state financial
11 aid received by the technical college.

12 (c) There is hereby established in every technical college that adopts a
13 local option budget a fund which shall be called the supplemental general fund.
14 The fund shall consist of all amounts deposited therein or credited thereto
15 according to law. Amounts in the supplemental general fund may be expended
16 for any purpose for which expenditures from the general fund are authorized or
17 may be transferred to the general fund of the technical college or to any other
18 fund of the technical college.

19 (d) Each year that the governing body has adopted a local option budget,
20 the governing body may levy an ad valorem tax on the taxable tangible property
21 of the service territory for the purpose of financing that portion of the local option
22 budget of the technical college which is not financed from any other source
23 provided by law and for the purpose of paying a portion of the principal and
24 interest on bonds issued by cities under authority of K.S.A. 12-1774, and
25 amendments thereto, for the financing of redevelopment projects upon property
26 located within the service territory. The proceeds from the tax levied under
27 authority of this section, except the proceeds of such tax levied for the purpose of
28 paying a portion of the principal and interest on bonds issued by cities under
29 authority of K.S.A. 12-1774, and amendments thereto, for the financing of
30 redevelopment projects upon property located within the service territory district,
31 shall be deposited in the supplemental general fund of the technical college.

32 (e) As used in this section, "state financial aid" means all money
33 appropriated by the legislature for the operation and maintenance of a technical
34 college.

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