

**SENATE BILL No. 143**

By Committee on Education

2-8

1 AN ACT concerning postsecondary technical education; creating the  
2 postsecondary tiered technical education state aid act; amending  
3 K.S.A. 71-601, 71-620, 72-4480 and 72-6503 and repealing the  
4 existing sections; also repealing K.S.A. 71-613, 71-613a and 71-1706  
5 and K.S.A. 2010 Supp. 72-4430, 72-4431 and 72-4432.

6  
7 *Be it enacted by the Legislature of the State of Kansas:*

8 New Section 1. Sections 1 through 10, and amendments thereto,  
9 shall be known and may be cited as the postsecondary tiered technical  
10 education state aid act.

11 New Sec. 2. As used in sections 1 through 10, and amendments  
12 thereto:

13 (a) "Community college" means any community college established  
14 in accordance with chapter 71 of the Kansas Statutes Annotated.

15 (b) "Community college operating grant" means the operating grant  
16 provided for under subsection (a) of K.S.A. 71-620, and amendments  
17 thereto, prior to fiscal year 2012.

18 (c) (1) "Credit hour" means the basic unit of collegiate level  
19 instruction, as determined by the state board, in a subject or course  
20 offered by an eligible institution at a postsecondary level not higher than  
21 those programs or courses normally offered to freshmen and sophomores  
22 in four-year public institutions of postsecondary education, in a program  
23 that has been approved by the state board.

24 (2) The term "credit hour" does not include instruction in a program  
25 or course taken by a student enrolled for audit or not for postsecondary  
26 credit, or in any program or course not approved by the state board.

27 (3) The state board shall determine whether the programs and  
28 courses offered are at the level of freshmen and sophomore programs and  
29 courses offered in the state educational institutions and shall not approve  
30 for funding any program or course offered at a higher level.

31 (d) "Eligible institution" or "institution" means any community  
32 college, technical college or the institute of technology.

33 (e) "Institute of technology," "institute" or "Washburn institute of  
34 technology" means the institute of technology at Washburn university.

35 (f) "Non-tiered course" means any postsecondary credit-bearing  
36 course offered by an eligible institution and identified by the state board

1 as not meeting the definition of a tiered technical course. Non-tiered  
2 courses include courses that are generally designed to: (1) Contribute to  
3 academic knowledge or skills across multiple disciplines and  
4 occupations, such as communication, writing, mathematics, humanities,  
5 social or behavioral science and natural or physical science courses, some  
6 of which may be considered for transfer as general education credit  
7 toward a baccalaureate degree; (2) contribute to general knowledge or  
8 skills in areas such as critical thinking and reasoning, problem solving,  
9 use of technology and teamwork skills; (3) provide instruction in basic or  
10 foundational skills necessary for individuals to effectively participate in  
11 technical programs; (4) prepare individuals for certification or licensure  
12 exams or re-certifications and skill updates; or (5) allow individuals to  
13 explore various career opportunities. Seminars, workshops or other  
14 courses that are supplemental to the primary instruction required for the  
15 occupationally specific technical program shall be considered non-tiered  
16 courses, unless otherwise specified by the state board.

17 (g) “State board of regents” or “state board” means the state board of  
18 regents provided for in the constitution of this state and established by  
19 K.S.A. 74-3202a, and amendments thereto.

20 (h) “Technical college” means a technical college designated  
21 pursuant to K.S.A. 72-4472, 72-4473, 72-4474, 72-4475, 72-4477 or 72-  
22 4477a, and amendments thereto.

23 (i) “Technical program” means any program of study comprised of a  
24 sequence of tiered technical courses and non-tiered courses, which  
25 program is identified by the state board as a technical program for  
26 funding purposes. Technical programs must: (1) Be designed to prepare  
27 individuals for gainful employment in current or emerging technical  
28 occupations requiring other than a baccalaureate or advanced degree; (2)  
29 lead to technical skill proficiency, an industry-recognized credential, a  
30 certificate or an associate degree; and (3) be delivered by an eligible  
31 institution.

32 (j) “Tiered technical course” means a postsecondary credit-bearing  
33 course included in the sequence of courses comprising a technical  
34 program, which course is itself designed to provide competency-based  
35 applied instruction to prepare individuals with occupationally specific  
36 knowledge and skills necessary for employment, and which the state  
37 board has identified as a tiered technical course.

38 (k) “Tiered technical course credit hour” means a credit hour in a  
39 tiered technical course.

40 (l) “Washburn institute of technology operating grant” means any  
41 legislative appropriation designated for non-tiered courses delivered by  
42 the Washburn institute of technology.

43 New Sec. 3. (a) In each fiscal year, commencing with the 2012

1 fiscal year, each community college, technical college and the Washburn  
2 institute of technology is eligible for postsecondary tiered technical  
3 education state aid from the state general fund for postsecondary tiered  
4 technical course credit hours approved by the state board and delivered  
5 by the institution to students who are residents of the state of Kansas, in  
6 an amount to be determined by the state board using a credit hour cost  
7 calculation model that: (1) Is tiered to recognize and support cost  
8 differentials in providing high-demand, high-tech training; (2) takes into  
9 consideration target industries critical to the Kansas economy; (3) is  
10 responsive to program growth; (4) takes into consideration local taxing  
11 authority for credit hours generated by in-district students; and (5)  
12 includes other factors and considerations as deemed necessary or  
13 advisable by the state board. The state board shall establish the rates to  
14 be used as the state's share in a given year, as well as in the actual  
15 distribution.

16 (b) For purposes of sections 1 through 10, and amendments thereto,  
17 residency for all community college students shall be determined in  
18 accordance with K.S.A. 71-406 and 71-407, and amendments thereto, and  
19 residency for all technical college and Washburn institute of technology  
20 students shall be determined in accordance with laws or policies  
21 applicable to those institutions.

22 (c) In fiscal year 2012, any portion of the appropriation for  
23 postsecondary tiered technical education state aid that an institution  
24 actually receives that is in excess of the amount of community college  
25 operating grant or postsecondary aid that the institution received for fiscal  
26 year 2011 shall be considered new state funds for purposes of K.S.A. 74-  
27 3202d, and amendments thereto.

28 New Sec. 4. In accordance with deadlines established and published  
29 by the state board of regents, the chief administrative officer of each  
30 eligible institution shall certify under oath to the state board any  
31 information the state board deems necessary to carry out the provisions of  
32 sections 1 through 10, and amendments thereto, in such form as required  
33 by the state board.

34 New Sec. 5. One-half of the distribution of the appropriation for  
35 postsecondary tiered technical education state aid shall be made on  
36 August 1, and the remaining one-half shall be made on January 1 of each  
37 fiscal year, or as soon thereafter as possible. The state board shall certify,  
38 on or before July 20 and December 20 of each fiscal year, to the director  
39 of accounts and reports the amount due on August 1 or on January 1, as  
40 the case may be, to each institution eligible for postsecondary tiered  
41 technical education state aid from such appropriation, and the director of  
42 accounts and reports shall draw a warrant upon the state treasurer in favor  
43 of the eligible institution for such amount. Upon receipt of the warrant,

1 the treasurer of each community college and the institute of technology  
2 shall credit the amount of the warrant to the postsecondary technical  
3 education fund of the community college or institute, and the treasurer of  
4 each technical college shall credit the amount of the warrant to the  
5 general operating fund of the technical college.

6 New Sec. 6. No amount of postsecondary tiered technical education  
7 state aid shall be based upon any credit hour for which the eligible  
8 institution is receiving or eligible to receive state aid for non-tiered course  
9 credit hours.

10 New Sec. 7. At any time, if the state board of regents finds that an  
11 eligible institution previously approved or deemed approved has failed to  
12 comply with the provisions of sections 1 through 10, and amendments  
13 thereto, or with any provision of a policy adopted pursuant to sections 1  
14 through 10, and amendments thereto, or otherwise fails to meet the  
15 standards contained in sections 1 through 10, and amendments thereto,  
16 the state board of regents shall so advise the institution. If such institution  
17 fails to correct the deficiency within 12 months from the date such  
18 institution was so notified, the state board of regents shall withdraw  
19 approval of the institution and the institution shall not be entitled to  
20 postsecondary tiered technical education state aid during any such period  
21 of withdrawal. Any action of the state board of regents in denying or  
22 withdrawing approval of an institution shall be subject to review by the  
23 legislature.

24 New Sec. 8. (a) There is hereby established a postsecondary  
25 technical education fund in each community college and at Washburn  
26 university for the Washburn institute of technology. All moneys received  
27 by a community college or for the institute of technology for establishing,  
28 conducting, maintaining and administering any technical program shall  
29 be deposited in the postsecondary technical education fund, unless  
30 required by federal or state law to be deposited in the institution's general  
31 fund. The expenses of a community college or the institute of technology  
32 that are attributable to career technical education shall be paid from the  
33 postsecondary technical education fund.

34 (b) There is hereby established a general operating fund in each  
35 technical college budget. All moneys received by a technical college for  
36 delivering tiered technical course credit hours and non-tiered course  
37 credit hours shall be deposited in the general operating fund of the  
38 college. The expenses of a technical college that are attributable to career  
39 technical education shall be accounted for separately from the expenses  
40 of the college that are not attributable to career technical education.

41 (c) Community colleges, technical colleges and the Washburn  
42 institute of technology shall maintain fund accounting procedures as may  
43 be necessary to assure proper accounting for funds for career technical

1 education courses, whether received directly from the federal government  
2 or any of its agencies, or received through the state or any of its agencies.

3 New Sec. 9. Any lawful transfer of money from the general fund of  
4 a community college or the Washburn institute of technology to the  
5 postsecondary technical education fund of such institution shall be an  
6 operating expense in the year the transfer is made. The board of any  
7 community college or the Washburn institute of technology may transfer  
8 moneys from its general fund to its postsecondary technical education  
9 fund. Expenditures for career technical education shall not be made from  
10 the general fund of a community college or the Washburn institute of  
11 technology.

12 New Sec. 10. The state board may adopt such policies as are  
13 necessary or desirable to implement and administer this act.

14 New Sec. 11. On or before November 1 and on or before March 1 of  
15 each year, the chief administrative officer of each technical college shall  
16 certify under oath to the state board the total number of duly enrolled  
17 credit hours of students of the technical college during the current session  
18 who are state residents. Each November 1 and March 1, certification for  
19 payment shall set forth separately the credit hour enrollment for  
20 preceding sessions and for the current fall session. The state board may  
21 require the technical college to furnish any additional information  
22 deemed necessary by it to carry out the provisions of sections 11, 12 and  
23 K.S.A. 72-4480, and amendments thereto, and shall prescribe such forms  
24 and policies as may be necessary for making such reports.

25 New Sec. 12. (a) If the amount of any appropriation for non-tiered  
26 course credit hour grant aid is insufficient to pay in full the amount each  
27 technical college is eligible to receive, the amount appropriated shall be  
28 prorated among all technical colleges in proportion to the amount each is  
29 eligible to receive.

30 (b) If any technical college is paid more than the amount it is  
31 eligible to receive, the state board shall notify the technical college of the  
32 amount of the overpayment and the technical college shall remit the same  
33 to the state board and the state board shall deposit the same in the state  
34 treasury to the credit of the general fund, and if any such technical college  
35 fails to remit, the state board shall deduct the excess amount so paid from  
36 future payments becoming due to such technical college.

37 (c) If any technical college is paid less than the amount it is eligible  
38 to receive, the state board shall pay the additional amount due at any time  
39 within the fiscal year in which the underpayment was made or within 60  
40 days after the end of such fiscal year.

41 (d) As used in this section, the term "non-tiered course" shall have  
42 the same meaning ascribed thereto in section 2, and amendments thereto.

43 Sec. 13. K.S.A. 71-601 is hereby amended to read as follows: 71-

1 601. (a) "Credit hour" means the basic unit of collegiate level instruction,  
 2 as determined by the state board, in a subject or course offered at a level  
 3 not higher than those subjects or courses normally offered to freshmen  
 4 and sophomores in four-year institutions of postsecondary education  
 5 which subject or course is approved by the state board.

6 (b) ~~The term "credit hour" does not include within its meaning~~  
 7 instruction in a subject or course taken by a student enrolled for audit or  
 8 in any subject or course not approved by the state board.

9 (c) The state board shall determine whether the subjects and courses  
 10 offered in the community colleges are at the level of freshmen and  
 11 sophomore subjects and courses offered in the state educational  
 12 institutions and shall not approve *for funding* any subject or course  
 13 offered at a higher level.

14 (b) ~~"Full-time equivalent enrollment" or "FTE enrollment" means~~  
 15 ~~the quotient obtained by dividing by 30 the total credit hour enrollment in~~  
 16 ~~a fiscal year of students of a community college who are residents of the~~  
 17 ~~state of Kansas, or are considered residents of the state of Kansas~~  
 18 ~~pursuant to the provisions of K.S.A. 71-407, and amendments thereto.~~

19 (e) ~~"State grant" means the operating grant provided for under~~  
 20 ~~subsection (a) of K.S.A. 71-620, and amendments thereto, and if~~  
 21 ~~entitlement is determined, the quality performance grant provided for~~  
 22 ~~under subsection (b) of K.S.A. 71-620, and amendments thereto.~~

23 Sec. 14. K.S.A. 71-620 is hereby amended to read as follows: 71-  
 24 620. (a) In each fiscal year, commencing with the ~~2001~~ 2012 fiscal year,  
 25 each community college is ~~entitled to an operating eligible for a grant~~  
 26 from the state general fund, in an amount to be determined by the state  
 27 board, *for non-tiered course credit hours, as defined in section 2, and*  
 28 *amendments thereto, approved by the state board and delivered by the*  
 29 *community college. The method of distribution of such funds shall be*  
 30 *established by the state board after dialogue with the community college*  
 31 *presidents. The state board shall:*

32 (1) ~~Determine the average amount of moneys from the state general~~  
 33 ~~fund expended per FTE lower division undergraduate student in the~~  
 34 ~~preceding fiscal year at the regional state educational institutions;~~

35 (2) (A) ~~in the 2001 fiscal year, compute 50% of the amount~~  
 36 ~~determined under (1); (B) in the 2002 fiscal year, compute 55% of the~~  
 37 ~~amount determined under (1); (C) in the 2003 fiscal year, compute 60%~~  
 38 ~~of the amount determined under (1); in the 2004 fiscal year and in each~~  
 39 ~~fiscal year thereafter, compute 65% of the amount determined under (1);~~

40 (3) ~~determine the total number of FTE students of all the community~~  
 41 ~~colleges;~~

42 (4) ~~multiply the amount computed under (2) by the total number of~~  
 43 ~~FTE students determined under (3). Subject to the provisions of~~

1 subsection (e) of K.S.A. 74-3202d, and amendments thereto, the product  
2 is the total amount of operating grants the community colleges are  
3 entitled to receive for the fiscal year.

4 (5) Each community college which is not an officially designated  
5 area vocational school shall receive an amount equivalent to the  
6 difference between credit hour state aid received in the 1999 fiscal year  
7 for credit hours in any subject or course approved as a vocational  
8 education subject or course and 1 1/6 times the amount of credit hour  
9 state aid received in the 1999 fiscal year for credit hours in any subject or  
10 course approved as a vocational education subject or course. The amount  
11 determined under this provision shall be distributed in equal installments  
12 in the 2001 through 2004 fiscal years as a part of the community college's  
13 operating grant, but shall not be subject to the provisions of K.S.A. 71-  
14 204, and amendments thereto.

15 (6) In each fiscal year, the state board, for the purpose of allocating  
16 the amount determined under (4) to the community colleges, shall deduct  
17 the total of the amounts determined under (5) from the amount  
18 determined under (4).

19 (7) In the 2001 fiscal year, the remaining balance determined under  
20 (6) shall be allocated to each community college according to the ratio the  
21 total amount of state aid received by the community college in the 2000  
22 fiscal year bears to the total amount of state aid received by all  
23 community colleges in the 2000 fiscal year, subject to adjustments for  
24 changes in each community college's FTE enrollment from the 2000  
25 fiscal year to the 2001 fiscal year.

26 (8) In the 2002 fiscal year and in each fiscal year thereafter, the  
27 remaining balance determined under (6) shall be allocated to each  
28 community college according to the ratio the amount of the operating  
29 grant received by the community college in the prior fiscal year bears to  
30 the total amount of operating grants received by all community colleges  
31 in the prior fiscal year, subject to adjustments for changes in each  
32 community college's FTE enrollment from the prior fiscal year to the  
33 current fiscal year.

34 (b) In each fiscal year, commencing with the 2003 fiscal year, each  
35 community college is eligible to receive a quality performance grant from  
36 the state general fund. If the state board determines that the community  
37 college has demonstrated effectiveness in complying with its role and  
38 mission statement and has met or exceeded the core indicators of quality  
39 performance for community colleges identified and approved by the state  
40 board, the community college shall receive a quality performance grant in  
41 an amount which shall be determined by the state board by computing  
42 2% of the amount of the operating grant the community college received  
43 in the preceding fiscal year. The computed amount is the amount of the

1 ~~quality performance grant the community college shall receive for the~~  
 2 ~~fiscal year. No amount of grant under this section shall be based upon~~  
 3 ~~any credit hour for which the community college is receiving or is~~  
 4 ~~eligible to receive postsecondary tiered technical education state aid in~~  
 5 ~~accordance with section 3, and amendments thereto. Only the credit~~  
 6 ~~hours of students who are residents of the state of Kansas enrolled in~~  
 7 ~~courses for postsecondary credit shall be considered for funding.~~

8 ~~(c) For the purposes of this section, the FTE enrollment of the~~  
 9 ~~community college shall be based on: (1) Enrollment of students who are~~  
 10 ~~residents of the state of Kansas, or are considered residents of the state of~~  
 11 ~~Kansas pursuant to the provisions of K.S.A. 71-407, and amendments~~  
 12 ~~thereto; and (2) the greater of FTE enrollment of the community college~~  
 13 ~~in the current fiscal year or FTE enrollment in the preceding fiscal year.~~  
 14 ~~For purposes of this section, residency for all community college students~~  
 15 ~~shall be determined in accordance with K.S.A. 71-406 and 71-407, and~~  
 16 ~~amendments thereto.~~

17 ~~(d) As used in this section, the term regional state educational~~  
 18 ~~institutions means Emporia state university, Fort Hays state university~~  
 19 ~~and Pittsburg state university and the term lower division undergraduate~~  
 20 ~~student means a freshman or sophomore.~~

21 Sec. 15. K.S.A. 72-4480 is hereby amended to read as follows: 72-  
 22 4480. (a) *In each fiscal year, commencing with the 2012 fiscal year, each*  
 23 *technical college, as defined in section 2, and amendments thereto, is*  
 24 *eligible for a grant from the state general fund, in an amount to be*  
 25 *determined by the state board of regents, for non-tiered course credit*  
 26 *hours, as defined in section 2, and amendments thereto, approved by the*  
 27 *state board and delivered by the technical college. The method of*  
 28 *distribution of such funds shall be established by the state board after*  
 29 *dialogue with the technical college presidents.*

30 (b) *No amount of grant under this section shall be based upon any*  
 31 *credit hour for which the technical college is receiving or is eligible to*  
 32 *receive postsecondary tiered technical education state aid in accordance*  
 33 *with section 3, and amendments thereto. Only the credit hours of*  
 34 *students who are residents of the state of Kansas enrolled in courses for*  
 35 *postsecondary credit shall be considered for funding.*

36 (c) The state board of regents shall identify and approve core  
 37 indicators of quality performance for ~~vocational education schools and~~  
 38 technical colleges and shall establish and implement a data management  
 39 system that includes a process and format for collecting, aggregating and  
 40 reporting common and institution-specific information documenting  
 41 effectiveness of the ~~schools and~~ colleges in meeting the role and mission  
 42 thereof.

43 ~~(b) In each fiscal year, commencing with the 2003 fiscal year, each~~



1 vocational education school and technical college is eligible to receive a  
2 quality performance grant from the state general fund. If the state board  
3 determines that the school or college has demonstrated effectiveness in  
4 complying with its role and mission statement and has met or exceeded  
5 the core indicators of quality performance for vocational education  
6 schools and technical colleges identified and approved by the state board,  
7 the school or college shall receive a quality performance grant in an  
8 amount which shall be determined by the state board by computing 2% of  
9 the amount of postsecondary aid the school or college received in the  
10 preceding fiscal year. The computed amount is the amount of the quality  
11 performance grant the school or college shall receive for the fiscal year.

12 (e) (d) *One-half of the distribution of the appropriation for quality*  
13 *performance grants under this section to vocational education schools and*  
14 *technical colleges entitled to eligible for such grants shall be made at a*  
15 *time to be determined by the state board: on August 1, and the remaining*  
16 *one-half shall be made on January 1 of each fiscal year, or as soon*  
17 *thereafter as possible. The state board shall certify, on or before July 20*  
18 *and December 20 of each fiscal year, to the director of accounts and*  
19 *reports the amount due on August 1 or January 1, as the case may be, to*  
20 *each vocational education school and technical college entitled to eligible*  
21 *for a grant, and the director of accounts and reports shall draw a warrant*  
22 *upon the state treasurer in favor of the school or technical college for*  
23 *such amount. Upon receipt of the warrant, the treasurer of the school or*  
24 *technical college shall credit the amount of the warrant to the general*  
25 *fund of the technical college.*

26 Sec. 16. K.S.A. 72-6503 is hereby amended to read as follows: 72-  
27 6503. (a) *Except to the extent provided in subsection (4), in each fiscal*  
28 *year, the university is entitled to an operating grant from the state general*  
29 *fund in an amount to be determined by the state board. The state board*  
30 *shall:*

31 (1) Determine the average amount of moneys from the state general  
32 fund expended per FTE lower division undergraduate student in the  
33 preceding fiscal year at the regional state educational institutions;

34 (2) (A) in the 2002 fiscal year, compute 55% of the amount  
35 determined under (1); (B) in the 2003 fiscal year, compute 60% of the  
36 amount determined under (1); (C) in the 2004 fiscal year and in each  
37 fiscal year thereafter, compute 65% of the amount determined under (1);

38 (3) multiply the amount computed under (2) by the number of FTE  
39 students of the university. Subject to the provisions of subsection (e) of  
40 K.S.A. 74-3202d, and amendments thereto, the product is the amount of  
41 the operating grant the university is entitled to receive for the fiscal year.

42 (4) *Notwithstanding the foregoing provisions, no amount of the*  
43 *university's operating grant shall be based upon any credit hour for*

1 *which the university or its affiliated institute of technology is receiving or*  
2 *is eligible to receive postsecondary tiered technical education state aid in*  
3 *accordance with section 3, and amendments thereto.*

4 ~~(b) In each fiscal year, commencing with the 2003 fiscal year, the~~  
5 ~~university is eligible to receive a quality performance grant from the state~~  
6 ~~general fund. If the state board determines that the university has~~  
7 ~~demonstrated effectiveness in complying with its mission and goals~~  
8 ~~statement and has met or exceeded the core indicators of quality~~  
9 ~~performance identified and approved for the university by the state board,~~  
10 ~~the university shall receive a quality performance grant in an amount~~  
11 ~~which shall be determined by the state board by computing 2% of the~~  
12 ~~amount of the operating grant the university received in the preceding~~  
13 ~~fiscal year. The computed amount is the amount of the quality~~  
14 ~~performance grant the university shall receive for the fiscal year.~~

15 (e) (1) For the purposes of this section, the FTE enrollment of the  
16 university shall be based on: (A) Enrollment of students who are residents  
17 of the state of Kansas; and (B) the greater of FTE enrollment in the  
18 second or third fiscal year preceding the fiscal year for which the  
19 appropriation for the operating grant is made.

20 (2) As used in this section, the term "regional state educational  
21 institutions" means Emporia state university, Fort Hays state university  
22 and Pittsburg state university, and the term "lower division undergraduate  
23 student" means a freshman or sophomore.

24 ~~(d)~~ (c) Moneys received as state grants from the state general fund  
25 shall not be expended for the purpose of expansion of graduate programs  
26 or for the purpose of expansion of off-campus programs without the prior  
27 approval of the state board.

28 Sec. 17. K.S.A. 71-601, 71-613, 71-613a, 71-620, 71-1706, 72-4480  
29 and 72-6503 and K.S.A. 2010 Supp. 72-4430, 72-4431 and 72-4432 are  
30 hereby repealed.

31 Sec. 18. This act shall take effect and be in force from and after its  
32 publication in the Kansas register.

33