

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-
5 1706 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
14 established in accordance with chapter 71 of the Kansas Statutes
15 Annotated.

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

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

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

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

33 (d) "Eligible institution" or "institution" means any community

1 college, technical college or the institute of technology.

2 (e) “Institute of technology,” “institute” or “Washburn institute of
3 technology” means the institute of technology at Washburn university.

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

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

26 (h) “Technical college” means a technical college designated
27 pursuant to K.S.A. 72-4472, 72-4473, 72-4474, 72-4475, 72-4477 or
28 72-4477a, and amendments thereto.

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

38 (j) “Tiered technical course” means a postsecondary credit-bearing
39 course included in the sequence of courses comprising a technical

1 program, which course is itself designed to provide competency-based
2 applied instruction to prepare individuals with occupationally specific
3 knowledge and skills necessary for employment, and which the state
4 board has identified as a tiered technical course.

5 (k) “Tiered technical course credit hour” means a credit hour in a
6 tiered technical course.

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

10 New Sec. 3. (a) In each fiscal year, commencing with the 2012
11 fiscal year, each community college, technical college and the
12 Washburn institute of technology is eligible for postsecondary tiered
13 technical education state aid from the state general fund for
14 postsecondary tiered technical course credit hours approved by the state
15 board and delivered by the institution to students who are residents of
16 the state of Kansas, in an amount to be determined by the state board
17 using a credit hour cost calculation model that: (1) Is tiered to
18 recognize and support cost differentials in providing high-demand,
19 high-tech training; (2) takes into consideration target industries critical
20 to the Kansas economy; (3) is responsive to program growth; (4) takes
21 into consideration local taxing authority for credit hours generated by
22 in-district students; and (5) includes other factors and considerations as
23 deemed necessary or advisable by the state board. The state board shall
24 establish the rates to be used as the state’s share in a given year, as well
25 as in the actual distribution.

26 (b) For purposes of sections 1 through 10, and amendments
27 thereto, residency for all community college students shall be
28 determined in accordance with K.S.A. 71-406 and 71-407, and
29 amendments thereto, and residency for all technical college and
30 Washburn institute of technology students shall be determined in
31 accordance with laws or policies applicable to those institutions.

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

38 New Sec. 4. In accordance with deadlines established and
39 published by the state board of regents, the chief administrative officer

1 of each eligible institution shall certify under oath to the state board any
2 information the state board deems necessary to carry out the provisions
3 of sections 1 through 10, and amendments thereto, in such form as
4 required by the state board.

5 New Sec. 5. One-half of the distribution of the appropriation for
6 postsecondary tiered technical education state aid shall be made on
7 August 1, and the remaining one-half shall be made on January 1 of
8 each fiscal year, or as soon thereafter as possible. The state board shall
9 certify, on or before July 20 and December 20 of each fiscal year, to the
10 director of accounts and reports the amount due on August 1 or on
11 January 1, as the case may be, to each institution eligible for
12 postsecondary tiered technical education state aid from such
13 appropriation, and the director of accounts and reports shall draw a
14 warrant upon the state treasurer in favor of the eligible institution for
15 such amount. Upon receipt of the warrant, the treasurer of each
16 community college and the institute of technology shall credit the
17 amount of the warrant to the postsecondary technical education fund of
18 the community college or institute, and the treasurer of each technical
19 college shall credit the amount of the warrant to the general operating
20 fund of the technical college.

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

25 New Sec. 7. At any time, if the state board of regents finds that an
26 eligible institution previously approved or deemed approved has failed
27 to comply with the provisions of sections 1 through 10, and
28 amendments thereto, or with any provision of a policy adopted
29 pursuant to sections 1 through 10, and amendments thereto, or
30 otherwise fails to meet the standards contained in sections 1 through
31 10, and amendments thereto, the state board of regents shall so advise
32 the institution. If such institution fails to correct the deficiency within
33 12 months from the date such institution was so notified, the state
34 board of regents shall withdraw approval of the institution and the
35 institution shall not be entitled to postsecondary tiered technical
36 education state aid during any such period of withdrawal. Any action of
37 the state board of regents in denying or withdrawing approval of an
38 institution shall be subject to review by the legislature.

39 New Sec. 8. (a) There is hereby established a postsecondary

1 technical education fund in each community college and at Washburn
2 university for the Washburn institute of technology. All moneys
3 received by a community college or for the institute of technology for
4 establishing, conducting, maintaining and administering any technical
5 program shall be deposited in the postsecondary technical education
6 fund, unless required by federal or state law to be deposited in the
7 institution's general fund. The expenses of a community college or the
8 institute of technology that are attributable to career technical education
9 shall be paid from the postsecondary technical education fund.

10 (b) There is hereby established a general operating fund in each
11 technical college budget. All moneys received by a technical college for
12 delivering tiered technical course credit hours and non-tiered course
13 credit hours shall be deposited in the general operating fund of the
14 college. The expenses of a technical college that are attributable to
15 career technical education shall be accounted for separately from the
16 expenses of the college that are not attributable to career technical
17 education.

18 (c) Community colleges, technical colleges and the Washburn
19 institute of technology shall maintain fund accounting procedures as
20 may be necessary to assure proper accounting for funds for career
21 technical education courses, whether received directly from the federal
22 government or any of its agencies, or received through the state or any
23 of its agencies.

24 New Sec. 9. Any lawful transfer of money from the general fund
25 of a community college or the Washburn institute of technology to the
26 postsecondary technical education fund of such institution shall be an
27 operating expense in the year the transfer is made. The board of any
28 community college or the Washburn institute of technology may
29 transfer moneys from its general fund to its postsecondary technical
30 education fund. Expenditures for career technical education shall not be
31 made from the general fund of a community college or the Washburn
32 institute of technology.

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

35 New Sec. 11. On or before November 1 and on or before March 1
36 of each year, the chief administrative officer of each technical college
37 shall certify under oath to the state board the total number of duly
38 enrolled credit hours of students of the technical college during the
39 current session who are state residents. Each November 1 and March 1,

1 certification for payment shall set forth separately the credit hour
2 enrollment for preceding sessions and for the current fall session. The
3 state board may require the technical college to furnish any additional
4 information deemed necessary by it to carry out the provisions of
5 sections 11, 12 and K.S.A. 72-4480, and amendments thereto, and shall
6 prescribe such forms and policies as may be necessary for making such
7 reports.

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

13 (b) If any technical college is paid more than the amount it is
14 eligible to receive, the state board shall notify the technical college of
15 the amount of the overpayment and the technical college shall remit the
16 same to the state board and the state board shall deposit the same in the
17 state treasury to the credit of the general fund, and if any such technical
18 college fails to remit, the state board shall deduct the excess amount so
19 paid from future payments becoming due to such technical college.

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

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

27 Sec. 13. K.S.A. 71-601 is hereby amended to read as follows: 71-
28 601. (a) "Credit hour" means the basic unit of collegiate level
29 instruction, as determined by the state board, in a subject or course
30 offered at a level not higher than those subjects or courses normally
31 offered to freshmen and sophomores in four-year institutions of
32 postsecondary education which subject or course is approved by the
33 state board.

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

37 (c) The state board shall determine whether the subjects and
38 courses offered in the community colleges are at the level of freshmen
39 and sophomore subjects and courses offered in the state educational

1 institutions and shall not approve *for funding* any subject or course
2 offered at a higher level.

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

8 ~~(c) "State grant" means the operating grant provided for under~~
9 ~~subsection (a) of K.S.A. 71-620, and amendments thereto, and if~~
10 ~~entitlement is determined, the quality performance grant provided for~~
11 ~~under subsection (b) of K.S.A. 71-620, and amendments thereto.~~

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

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

24 ~~(2) (A) in the 2001 fiscal year, compute 50% of the amount~~
25 ~~determined under (1); (B) in the 2002 fiscal year, compute 55% of the~~
26 ~~amount determined under (1); (C) in the 2003 fiscal year, compute 60%~~
27 ~~of the amount determined under (1); in the 2004 fiscal year and in each~~
28 ~~fiscal year thereafter, compute 65% of the amount determined under~~
29 ~~(1);~~

30 ~~(3) determine the total number of FTE students of all the~~
31 ~~community colleges;~~

32 ~~(4) multiply the amount computed under (2) by the total number of~~
33 ~~FTE students determined under (3). Subject to the provisions of~~
34 ~~subsection (e) of K.S.A. 74-3202d, and amendments thereto, the~~
35 ~~product is the total amount of operating grants the community colleges~~
36 ~~are entitled to receive for the fiscal year.~~

37 ~~(5) Each community college which is not an officially designated~~
38 ~~area vocational school shall receive an amount equivalent to the~~
39 ~~difference between credit hour state aid received in the 1999 fiscal year~~

1 ~~for credit hours in any subject or course approved as a vocational~~
2 ~~education subject or course and 1 1/6 times the amount of credit hour~~
3 ~~state aid received in the 1999 fiscal year for credit hours in any subject~~
4 ~~or course approved as a vocational education subject or course. The~~
5 ~~amount determined under this provision shall be distributed in equal~~
6 ~~installments in the 2001 through 2004 fiscal years as a part of the~~
7 ~~community college's operating grant, but shall not be subject to the~~
8 ~~provisions of K.S.A. 71-204, and amendments thereto.~~

9 ~~(6) In each fiscal year, the state board, for the purpose of~~
10 ~~allocating the amount determined under (4) to the community colleges,~~
11 ~~shall deduct the total of the amounts determined under (5) from the~~
12 ~~amount determined under (4).~~

13 ~~(7) In the 2001 fiscal year, the remaining balance determined~~
14 ~~under (6) shall be allocated to each community college according to the~~
15 ~~ratio the total amount of state aid received by the community college in~~
16 ~~the 2000 fiscal year bears to the total amount of state aid received by all~~
17 ~~community colleges in the 2000 fiscal year, subject to adjustments for~~
18 ~~changes in each community college's FTE enrollment from the 2000~~
19 ~~fiscal year to the 2001 fiscal year.~~

20 ~~(8) In the 2002 fiscal year and in each fiscal year thereafter, the~~
21 ~~remaining balance determined under (6) shall be allocated to each~~
22 ~~community college according to the ratio the amount of the operating~~
23 ~~grant received by the community college in the prior fiscal year bears~~
24 ~~to the total amount of operating grants received by all community~~
25 ~~colleges in the prior fiscal year, subject to adjustments for changes in~~
26 ~~each community college's FTE enrollment from the prior fiscal year to~~
27 ~~the current fiscal year.~~

28 ~~(b) In each fiscal year, commencing with the 2003 fiscal year, each~~
29 ~~community college is eligible to receive a quality performance grant~~
30 ~~from the state general fund. If the state board determines that the~~
31 ~~community college has demonstrated effectiveness in complying with~~
32 ~~its role and mission statement and has met or exceeded the core~~
33 ~~indicators of quality performance for community colleges identified~~
34 ~~and approved by the state board, the community college shall receive a~~
35 ~~quality performance grant in an amount which shall be determined by~~
36 ~~the state board by computing 2% of the amount of the operating grant~~
37 ~~the community college received in the preceding fiscal year. The~~
38 ~~computed amount is the amount of the quality performance grant the~~
39 ~~community college shall receive for the fiscal year. *No amount of grant*~~

1 *under this section shall be based upon any credit hour for which the*
2 *community college is receiving or is eligible to receive postsecondary*
3 *tiered technical education state aid in accordance with section 3, and*
4 *amendments thereto. Only the credit hours of students who are*
5 *residents of the state of Kansas enrolled in courses for postsecondary*
6 *credit shall be considered for funding.*

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

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

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

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

35 (c) *The state board of regents shall identify and approve core*
36 *indicators of quality performance for vocational education schools and*
37 *technical colleges and shall establish and implement a data*
38 *management system that includes a process and format for collecting,*
39 *aggregating and reporting common and institution-specific information*

1 documenting effectiveness of the schools and colleges in meeting the
2 role and mission thereof.

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

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

30 Sec. 16. K.S.A. 72-6503 is hereby amended to read as follows: 72-
31 6503. (a) *Except to the extent provided in subsection (4)*, in each fiscal
32 year, the university is entitled to an operating grant from the state
33 general fund in an amount to be determined by the state board. The
34 state board shall:

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

38 (2) (A) in the 2002 fiscal year, compute 55% of the amount
39 determined under (1); (B) in the 2003 fiscal year, compute 60% of the

1 amount determined under (1); (C) in the 2004 fiscal year and in each
2 fiscal year thereafter, compute 65% of the amount determined under
3 (1);

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

9 (4) *Notwithstanding the foregoing provisions, no amount of the*
10 *university's operating grant shall be based upon any credit hour for*
11 *which the university or its affiliated institute of technology is receiving*
12 *or is eligible to receive postsecondary tiered technical education state*
13 *aid in accordance with section 3, and amendments thereto.*

14 ~~(b) In each fiscal year, commencing with the 2003 fiscal year, the~~
15 ~~university is eligible to receive a quality performance grant from the~~
16 ~~state general fund. If the state board determines that the university has~~
17 ~~demonstrated effectiveness in complying with its mission and goals~~
18 ~~statement and has met or exceeded the core indicators of quality~~
19 ~~performance identified and approved for the university by the state~~
20 ~~board, the university shall receive a quality performance grant in an~~
21 ~~amount which shall be determined by the state board by computing 2%~~
22 ~~of the amount of the operating grant the university received in the~~
23 ~~preceding fiscal year. The computed amount is the amount of the~~
24 ~~quality performance grant the university shall receive for the fiscal~~
25 ~~year.~~

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

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

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

39 Sec. 17. K.S.A. 71-601, 71-613, 71-613a, 71-620, 71-1706, 72-

1 4480 and 72-6503 and K.S.A. 2010 Supp. 72-4430, 72-4431 and 72-
2 4432 are hereby repealed.

3 Sec. 18. This act shall take effect and be in force from and after its
4 publication in the ~~Kansas register~~ *statute book*.

5