Proposed Amendments to HB 2174
Re: Date flexibility
February 18, 2015
Prepared by: Nick Myers
Office of Revisor of Statutes

Session of 2015

HOUSE BILL No. 2174

By Committee on Federal and State Affairs

1-29

AN ACT concerning schools; relating to the tax credit for low income students scholarship program act; amending K.S.A. 2014 Supp. 72-99a02, 72-99a03 and 72-99a04 and repealing the existing sections.

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

Section 1. K.S.A. 2014 Supp. 72-99a02 is hereby amended to read as follows: 72-99a02. As used in the tax credit for low income students scholarship program act:

(a) "Contributions" means monetary gifts or donations and in-kind contributions, gifts or donations that have an established market value.

(b) "Department" means the Kansas department of revenue.

(c) "Educational scholarship" means an amount not to exceed $8,000 provided to eligible students to cover all or a portion of the costs of tuition, fees and expenses of a qualified school and, if applicable, the costs of transportation to a qualified school if provided by such qualified school.

(d) "Eligible student" means a child who:

(1) (A) Qualifies as an at-risk pupil as defined in K.S.A. 72-6407, and amendments thereto, and who is attending a school that would qualify as either a title I focus school or a title I priority school as described by the state board under the elementary and secondary education act flexibility waiver as amended in January 2013; or (B) has received an educational scholarship under this program and has not graduated from high school or reached 21 years of age;

(2) resides in Kansas while receiving an educational scholarship; and

(3) (A) was enrolled in any public school in the previous school year in which an educational scholarship is first sought for the child; or (B) is eligible to be enrolled in any public school in the school year in which an educational scholarship is first sought for the child and the child is under the age of ~~six~~ *seven* years.

(e) "Parent" includes a guardian, custodian or other person with authority to act on behalf of the child.

(f) "Program" means the tax credit for low income students scholarship program established in K.S.A. 2014 Supp. 72-99a01 through 72-99a07, and amendments thereto.

(g) "Public school" means a school that would qualify as either a title I focus school or a title I priority school as described by the state board public accountant. Such audit shall include, but not be limited to, information verifying that the educational scholarships awarded by the scholarship granting organization were distributed to the eligible students determined by the state board under ~~subsection (c) of~~ K.S.A. 2014 Supp. 72-99a03*(c)*, and amendments thereto, and information specified in this section. Prior to filing a copy of the audit with the state board, such audit shall be duly verified and certified by a certified public accountant; and

(8) if a scholarship granting organization decides to limit the number or type of qualified schools who will receive educational scholarships, the scholarship granting organization shall provide, in writing, the name or names of those qualified schools to any contributor and the state board.

(b) No scholarship granting organization shall provide an educational scholarship for any eligible student to attend any qualified school with paid staff or paid board members, or relatives thereof, in common with the scholarship granting organization.

(c) The scholarship granting organization shall disburse not less than 90% of contributions received pursuant to the program to eligible students in the form of educational scholarships within 36 months of receipt of such contributions. If such contributions have not been disbursed within the applicable 36-month time period, then the scholarship granting organization shall not accept new contributions until 90% of the received contributions have been disbursed in the form of educational scholarships. *The scholarship granting organization may retain no more than 10% of contributions received pursuant to the program for administration costs. Any amount not used for administration costs must be disbursed in the form of educational scholarships within 36 months of receipt of such contributions.* Any income earned from contributions must be disbursed in the form of educational scholarships.

(d) A scholarship granting organization may continue to provide an educational scholarship to an eligible student who received an educational scholarship under this program in the year immediately preceding the current school year.

(e) *(1)* A scholarship granting organization shall direct payments of an educational scholarship to the qualified school on behalf of the eligible student. *Payments shall be made in two installments. One installment payment shall be made on or before the ~~first~~ day of the first semester and one installment payment shall be made on or before the ~~first~~ day of the second semester.* Payment shall be made by check made payable to both the parent and the qualified school. If an eligible student transfers to a new qualified school during a school year, the scholarship granting organization shall direct payment in a prorated amount to the original qualified school and the new qualified school based on the eligible student's attendance. If the eligible student transfers to a public school and

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