Session of 2024

## SENATE BILL No. 552

By Committee on Ways and Means

3-14

AN ACT concerning the state board of regents; enacting the Kansas campus restoration act; relating to deferred maintenance and demolition of facilities at postsecondary educational institutions; authorizing the board to adopt rules and regulations; establishing the Kansas campus restoration fund in the state treasury; authorizing certain transfers from the state general fund to the Kansas campus restoration fund; requiring annual reports be submitted to certain committees of the legislature; amending K.S.A. 74-3201b and repealing the existing section.

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

**New** Section 1. (a) The provisions of sections 1 through 8, and amendments thereto, shall be known and may be cited as the Kansas campus restoration act.

- (b) The purpose of the Kansas campus restoration act is to reduce deferred maintenance of educational mission-critical facilities at postsecondary educational institutions, to bring such facilities to a state of good repair and to provide for the demolition or razing of facilities at state educational institutions that are no longer mission-critical.
  - (c) As used in the Kansas campus restoration act:
- (1) "Board of regents" means the same as defined in K.S.A. 76-711, and amendments thereto.
- (2) "Fund" means the Kansas campus restoration fund established in section 2, and amendments thereto.
- (3) "Postsecondary educational institution" means the same as defined in K.S.A. 74-3201b, and amendments thereto.
- (4) "State educational institution" means the same as defined in K.S.A. 76-711, and amendments thereto.
- **New** Sec. 2. (a) There is hereby established in the state treasury the Kansas campus restoration fund. The Kansas campus restoration fund shall be administered by the board of regents. All expenditures from the fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the board of regents or by a person or persons designated by the board of regents.
- (b) A deferred maintenance account of the fund shall be established for each postsecondary educational institution for the purpose of making

 capital improvement expenditures from the fund.

- (c) (1) Except as provided in paragraphs (2) and (3), all expenditures from the fund shall require a match of nonstate moneys on a \$1-for-\$1 basis from either the postsecondary educational institution or private moneys.
- (2) Expenditures from the fund for a community college, technical college, *institute of technology* or municipal university shall not require a match.
- (3) Expenditures from the fund from a state educational institution's deferred maintenance account for demolition or razing of buildings or facilities on the campus of such state educational institution shall not require a match.
- (d) On or before the 10<sup>th</sup> day of each month, the director of accounts and reports shall transfer from the state general fund to the Kansas campus restoration fund interest earnings based on:
- (1) The average daily balance of moneys in the Kansas campus restoration fund for the preceding month; and
- (2) the net earnings rate for the pooled money investment portfolio for the preceding month.
- *New* Sec. 3. On July 1, 2025, July 1, 2026, July 1, 2027, July 1, 2028, July 1, 2029, July 1, 2030, July 1, 2031, July 1, 2032, July 1, 2033, July 1, 2034, and July 1, 2035, or as soon thereafter each such date as moneys are available, the director of accounts and reports shall transfer \$32,700,000 from the state general fund to the Kansas campus restoration fund.
- **New** Sec. 4. (a) Each-postsecondary state educational institution shall develop and submit to the board of regents a plan for the purpose of rehabilitating, remodeling or renovating existing facilities or building new facilities that are mission-critical of such-postsecondary state educational institution and to bring such facilities to a state of good repair. Such plan shall also include a list of facilities for demolition or razing. Each postsecondary state educational institution's plan shall be subject to approval by the board of regents.
- (b) The board of regents shall develop a comprehensive Kansas campus restoration plan that includes facilities from each-postsecondary state educational institution's plan as approved by the board of regents.
- (c) The board of regents shall ensure that facilities located on the Kansas state university polytechnic campus in Salina, Kansas, and the university of Kansas Edwards campus in Overland Park, Kansas, are not excluded from direct participation in the Kansas campus restoration plan.
- (d) The Kansas campus restoration plan shall encourage, and the board of regents may require, a reduction of total campus square footage in a project associated with such plan.
  - New Sec. 5. (a) Commencing in fiscal year 2026 through fiscal year

2036, the board of regents shall distribute in each fiscal year an aggregate amount of \$30,000,000 from the Kansas campus restoration fund to each state educational institution's deferred maintenance account established pursuant to section 2, and amendments thereto, in accordance with the Kansas campus restoration plan developed and approved pursuant to section 4, and amendments thereto.

- (b) Commencing in fiscal year 2026 through fiscal year 2036, the board of regents shall credit \$100,000 in each fiscal year from the Kansas campus restoration fund to each community college, technical college, *institute of technology* and municipal university account established pursuant to section 2, and amendments thereto.
- **New** Sec. 6. The board of regents is hereby authorized to adopt rules and regulations necessary to implement and administer the provisions of the Kansas campus restoration act and shall adopt rules and regulations to define:
- (a) "Educational mission-critical facilities." Such definition may include, but not be limited to, any facility of a research or economic generation capacity that the board of regents deems essential. Such definition shall not include auxiliary or athletic-funded facilities; and
- (b) "state of good repair." Such definition shall be of an industry standard and shall be presented to the joint committee on state building construction for review and comment.
- *New* Sec. 7. The board of regents shall submit a report Annually on or before the first day of the regular session of the legislature:
- (a) The board of regents shall submit a report on the progress of the Kansas campus restoration plan to the senate committee on ways and means, the house of representatives committee on appropriations, the house of representatives higher education budget committee and the joint committee on state building construction; and
- (b) each community college, technical college, institute of technology and municipal university shall submit a report on each institution's expenditures of moneys received pursuant to section 5(b), and amendments thereto, to the board of regents, the senate committee on ways and means, the house of representatives committee on appropriations and the house of representatives higher education budget committee.
- **New** Sec. 8. The provisions of sections 1 through 8, and amendments thereto, shall expire on July 1, 2036.
- 39 Sec. 9. K.S.A. 74-3201b is hereby amended to read as follows: 74-40 3201b. As used in the Kansas higher education coordination act: 41 (a) "Adult basic education program" and "adult supplementary
  - (a) "Adult basic education program" and "adult supplementary education program"—have the meanings respectively ascribed theretomean the same as defined in K.S.A. 74-32,253, and amendments thereto.

- (b) "Community college" means any community college established under the laws of this state.
  - (c) "Institute of technology" or "Washburn institute of technology" means the institute of technology at Washburn university.
  - (d) "Municipal university" means Washburn university of Topeka or any other municipal university established under the laws of this state.
  - (e) "Postsecondary educational institution" means any public university, municipal university, community college—and, technical college; and institute of technology. "Postsecondary educational institution" includes any entity resulting from the consolidation or affiliation of any two or more of such postsecondary educational institutions.
  - (f) "Private postsecondary educational institution" and "out-of-state postsecondary educational institution"—have the meanings ascribed thereto mean the same as defined in K.S.A. 74-32,163, and amendments thereto.
    - (g) "Public university" means any state educational institution.
  - (h) "Representative of a postsecondary educational institution" means any person who is the holder of an associate degree, a bachelor's degree, or a certificate of completion awarded by a postsecondary educational institution.
  - (i) "State board of regents" or "state board" means the state board of regents provided for in the constitution of this state and established by K.S.A. 74-3202a, and amendments thereto, except as otherwise specifically provided in this act.
  - (j) "State educational institution" means any state educational institution, as defined in K.S.A. 76-711, and amendments thereto.
  - (k) "Technical college" means any technical college established under the laws of this state.
    - Sec. 10. K.S.A. 74-3201b is hereby repealed.
- Sec. 9. 11. This act shall take effect and be in force from and after its publication in the statute book.