

2012 Kansas Statutes

75-650. Low-income family postsecondary savings accounts incentive program; definitions; administration by state treasurer; applications; limitations. (a) As used in this section:

(1) "Federal poverty level" means the most recent poverty income guidelines published in the calendar year by the United States department of health and human services.

(2) "Program" means the low-income family postsecondary savings accounts incentive program established by this section.

(3) "Qualified individual or family" means an individual or family who resides within the state of Kansas and whose household income is positive and not more than 200% of the federal poverty level for the tax year prior to the year in which the application is submitted.

(4) "Participant" means a qualified individual or family who has been approved for a matching grant under the program.

(5) "District" means a congressional district of the state of Kansas.

(6) "Application" means an application for a matching grant under the program.

(7) "Third-party contributor" means any individual or organization who contributes money to a family postsecondary savings account established pursuant to K.S.A. 75-640 et seq., and amendments thereto, other than the account owner who established such family postsecondary savings account for the benefit of the participant.

(8) Words and phrases have the meanings provided by K.S.A. 75-643, and amendments thereto, unless otherwise provided by this section.

(b) There is hereby established the low-income family postsecondary savings accounts incentive program. The purpose of the program is to encourage the establishment of family postsecondary savings accounts pursuant to K.S.A. 75-640, and amendments thereto, by qualified individuals and families.

(c) The treasurer shall:

(1) Implement and administer the program;

(2) develop marketing plans and promotional material for the program;

(3) prescribe the procedure for, and requirements relating to, the submission and approval of applications;

(4) do all things necessary and proper to carry out the purposes of this act; and

(5) adopt any rules and regulations and policies deemed necessary for implementation and administration of the program.

(d) Applications shall be submitted to the treasurer in the manner and form required by the treasurer. Applications shall be accompanied by any information deemed necessary by the treasurer. Applications must be submitted each year using the applicant's household income from the previous tax year.

(e) Beginning in calendar year 2009, the treasurer may approve no more than 300 applications from a single district. If 300 applications from residents of a district are not approved in calendar year 2009 or any year thereafter, the treasurer may approve additional applications submitted by residents of the remaining districts up to the program total of 1,200 applications per year. Applications shall be approved on a first come, first served basis. The treasurer shall provide written notice, to an applicant, of the approval or nonapproval of such person's application.

(f) The amount of contributions made to an account by an account owner who establishes a family postsecondary savings account for the benefit of a participant pursuant to K.S.A. 75-640 et seq., and amendments thereto, shall be matched by the state on a dollar-for-dollar basis if the account owner contributes at least \$100 to a family postsecondary education savings account for the benefit of the participant during the calendar year for which the application has been approved. The aggregate of all matching amounts for any family postsecondary savings account shall not exceed \$600 in any calendar year. All contributions by a third-party contributor shall be deposited in the matching grant account for the participant established by the treasurer or another similar account for which the withdrawals are restricted as required by subsection (h).

(g) Between January 1 and January 31 of each state fiscal year, the director of accounts and reports shall transfer from the state general fund to the Kansas postsecondary education savings program trust fund the amount, as certified by the treasurer, necessary to meet the matching obligations under subsection (f) for the preceding calendar year, except that the amount transferred from the state general fund to the Kansas postsecondary education savings program trust fund shall not exceed the maximum amount specified by appropriation act for such purpose for that state fiscal year. On or before January 31 of each year, the treasurer shall transfer from the Kansas postsecondary education savings program trust fund to the account of each participant the amount determined by the treasurer to meet the matching obligation due to such participant under subsection (f) for the preceding calendar year.

(h) The treasurer shall ensure that all withdrawals of matching funds are used for qualified withdrawals under K.S.A. 75-640 et seq., and amendments thereto.

(i) The treasurer shall prepare and submit to the governor and the legislature a report on the program on or before January 31 of each year. Such report shall include the number of accounts opened under the program, the amount of moneys contributed to such accounts by the participants, the amount of matching moneys transferred by the treasurer pursuant to subsection (g), the average income of the participants, an analysis of the success of the program in meeting the purpose of the program and any other information deemed appropriate by the treasurer.

(j) The provisions of this section shall be part of and supplemental to the Kansas postsecondary education savings program.

History: L. 2006, ch. 189, § 3; L. 2009, ch. 113, § 1; L. 2012, ch. 118, § 1; Jan. 1, 2013.