

February 12, 2019

The Honorable Steve Huebert, Chairperson
House Committee on Education
Statehouse, Room 286-N
Topeka, Kansas 66612

Dear Representative Huebert:

SUBJECT: Fiscal Note for HB 2144 by Representative Williams

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2144 is respectfully submitted to your committee.

HB 2144 would create the Community College Taxpayer Transparency Act. The Act would prohibit the board of trustees of any community college from authorizing expenditures for any capital improvement project, acquisition or lease of real property of more than \$250,000 until a resolution is passed and the resolution is published once each week for three consecutive weeks in a newspaper having general circulation in the community college district, and published on the community college's website homepage with an easily identifiable link to the community college's Taxpayer and Student Transparency Data. The expenditure would be authorized unless a petition in opposition to the resolution, signed by not less than 5.0 percent of the qualified electors of the community college district, is filed with the county election officer of the county in which the main campus of the community college is located. If such petition is filed, the expenditure would not be authorized unless voted on and approved through special election. Community colleges would also be required to clearly identify courses that are fully transferable to public four-year universities on each community college's website and in any publication that provides a list or description of any courses offered by the community college.

In addition, community colleges would be required to annually publish the following information once each week for three consecutive weeks in a newspaper having general circulation in the community college district and on the community college's website homepage with an easily identifiable link titled, Taxpayer and Student Transparency Data:

1. The tuition rate for: (1) students residing in the community college district; (2) students residing outside the community college district; (3) students residing outside the State of Kansas; and (4) students residing outside the United States;

2. The fees charged to: (1) students residing in the community college district; (2) students residing outside the community college district; (3) students residing outside of Kansas; and (4) students residing outside the United States;
3. The total cost, excluding textbooks and housing costs, per credit hour for each semester for: (1) students residing in the community college district; (2) students residing outside the community college district; (3) students residing outside of Kansas; and (4) students residing outside the United States;
4. The percentage of students attending each campus operated by the community college for: (1) students residing in the community college district; (2) students residing outside the community college district; (3) students residing outside of Kansas; and (4) students residing outside the United States;
5. The enrollment percentage of: (1) students residing in the community college district; and (2) students residing outside the community college district;
6. The enrollment percentage of students residing in the service area of the community college;
7. The name of the county with the largest number of students who are enrolled in the community college but who are residing outside of the community college district, and the enrollment percentage of such students;
8. The aggregate amount of property tax revenues collected for tax levies imposed by the board of trustees of the community college for each of the immediately preceding five fiscal years and the change in such amount from year-to-year, expressed as a percentage;
9. The aggregate amount of mills levied by the board of trustees of the community college for each of the immediately preceding five fiscal years and the change in such amount from year-to-year, expressed as a percentage; and
10. The aggregate amount budgeted for the two immediately preceding fiscal years for scholarships, and the total amount budgeted for the two immediately preceding fiscal years for: (1) athletic scholarships for students residing in the community college district; (2) athletic scholarships for students residing outside of Kansas; (3) non-athletic scholarships for students residing in the community college district; and (4) non-athletic scholarships for students residing outside of Kansas.

HB 2144 would amend current law to allow a community college tax levy to be reduced by an amount equal to 80.0 percent of the difference between the aggregate amount of state aid received by the community college in the preceding fiscal year and the aggregate amount of state aid to be distributed to the community college in the current fiscal year. The bill would also restrict expenditures from fees to the purpose for which they were charged and would establish residency requirements of students. The bill would provide that each community college could only increase its budget by the consumer price index, unless the board of trustees adopts and publishes a resolution. If a petition, signed by at least 5.0 percent of registered voters, is filed in opposition of the resolution, the board would be required to hold a special election.

The Board of Regents indicates HB 2144 would increase expenditures for community colleges including administrative costs and the costs to run publications in newspapers which is estimated to be \$400 to \$600 per publication. The Board estimates the requirements to publish Taxpayer and Student Transparency Data would cost the nineteen community colleges approximately \$23,000 to \$34,000 annually. If a college were to have a capital improvement project, acquisition or lease of real property exceeding \$250,000, or if it proposed a budget increase exceeding the Consumer Price Index, the Board indicates the college would incur costs for additional newspaper publications. Counties would have additional expenditures for the cost of a potential special election if a petition of 5.0 percent of voters was signed in opposition to the project or budget. The cost to hold a special election would depend on the county in which the community college district resides.

Sincerely,

A handwritten signature in cursive script that reads "L. L. Campbell". The signature is written in black ink and is positioned above the printed name and title.

Larry L. Campbell
Director of the Budget

cc: Kelly Oliver, Board of Regents
Jay Hall, Association of Counties
Chardae Caine, League of Municipalities