SENATE BILL No. 316
By Committee on Ways and Means

AN ACT concerning postsecondary education; relating to the comprehensive grant program; authorizing the state treasurer to administer the comprehensive grant program for not-for-profit independent institutions of higher education; amending K.S.A. 74-32,120, 74-32,121, 74-32,122, 74-32,123, 74-32,124 and 74-32,125 and repealing the existing sections.

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

New Section 1. (a) The treasurer shall administer the Kansas comprehensive grant program for not-for-profit independent institutions of higher education and:
   (1) Provide information regarding application procedures;
   (2) collect and certify financial need and cost of attendance at not-for-profit independent institutions of higher education as determined by each such institution;
   (3) determine the average amount of tuition and fees required of full-time, in-state students for enrollment at not-for-profit independent institutions of higher education;
   (4) determine residence;
   (5) determine priority or apportionment of Kansas comprehensive grants in accordance with section 2, and amendments thereto, and other matters necessary for administration of the program;
   (6) allocate base funding in accordance with section 2, and amendments thereto;
   (7) appoint an advisory committee, including the president of the Kansas independent colleges association and one representative from a not-for-profit independent institution of higher education per congressional district. Representatives appointed to the advisory committee from such institutions shall serve for not more than three years unless reappointed by the treasurer;
   (8) collect and certify reports of Kansas students enrolled in a not-for-profit independent institution of higher education for the award of Kansas comprehensive grants;
   (9) collect and maintain relevant information on the Kansas comprehensive grant program as it pertains to not-for-profit independent institutions of higher education and make a report to the governor and
legislature thereon; and
(10) adopt an appropriate measure of student financial need.
(b) The advisory committee appointed pursuant to subsection (a)(7) shall:
(1) Collect and report to the treasurer institutional information required by subsection (a)(2), (3), (5), (8) and (9); and
(2) recommend to the treasurer acceptable definitions of residence and an appropriate measure of student financial need.
(c) This section shall be a part of and supplemental to K.S.A. 74-32,120 through 74-32,125, and amendments thereto.

New Sec. 2. (a) To encourage degree completion, each not-for-profit independent institution of higher education shall endeavor to ensure any Kansas student enrolled at such institution who receives a Kansas comprehensive grant in a term shall continue to receive such support in subsequent terms provided such student continues to:
(1) Remain enrolled at such institution;
(2) make satisfactory academic progress; and
(3) meet all other criteria established by the state to receive the Kansas comprehensive grant.
(b) The treasurer shall allocate as base funding to each not-for-profit independent institution of higher education an amount of Kansas comprehensive grant funds sufficient for each such institution to provide a Kansas comprehensive grant to any student who:
(1) Received a Kansas comprehensive grant in the previous school year;
(2) remains enrolled at such institution and has not exited the institution due to:
(A) Completion of a bachelor's degree;
(B) transfer to another institution of higher education, regardless of whether such institution is a not-for-profit independent institution of higher education, state educational institution, municipal university or other postsecondary educational institution; or
(C) permanent or temporary withdrawal from such institution for any reason either voluntary or involuntary; and
(3) remains otherwise qualified to receive a Kansas comprehensive grant as provided in the Kansas comprehensive grant program.
(c) After allocating funds in accordance with subsection (b), the treasurer shall allocate all remaining Kansas comprehensive grant funds such that each institution shall receive an amount sufficient to equalize the minimum percentage of students eligible to receive a maximum Kansas comprehensive grant but for whom the institution has insufficient Kansas comprehensive grant funds to support.
(d) If there are insufficient Kansas comprehensive grant funds to meet
the requirements of subsection (b), each institution's overall allocation shall be reduced proportionally to such institution's amount of the total Kansas comprehensive grant funds received over the past three fiscal years.

(e) This section shall be a part of and supplemental to K.S.A. 74-32,120 through 74-32,125, and amendments thereto.

Sec. 3. K.S.A. 74-32,120 is hereby amended to read as follows: 74-32,120. As used in this act K.S.A. 74-32,120 through 74-32,125, and amendments thereto, and sections 1 and 2, and amendments thereto:

(a) "Kansas comprehensive grant program" means a program under which the state, in recognition that the provision of higher education for all residents of the state who have the desire and ability to obtain such education is an important public purpose and in response to the concern that many residents of the state are deterred by financial considerations from attending institutions of higher education, provides assistance to students with financial need through the award of grants.

(b) "Kansas comprehensive grant" means an award of financial assistance under the Kansas comprehensive grant program to an eligible Kansas student.

(c) "Financial need" means the difference between a student's available financial resources and the student's total anticipated cost of attendance at a certain Kansas educational institution. A student's financial resources shall be determined on the basis of criteria provided under the federal methodology of need analysis.

(d) "Full-time, in-state student" means a person who is a resident of Kansas and who is enrolling or enrolled at a Kansas educational institution for at least 12 credit hours each semester or the equivalent thereof. The board of regents shall determine the number of hours for terms other than semesters to constitute the equivalent of 12 credit hours.

(e) "Kansas student" means a full-time, in-state student who has established financial need and who is initially acceptable for entering a Kansas educational institution or who has so entered and is in good standing and making satisfactory progress toward graduation.

(f) "Kansas State educational institution" means a state educational institution under the control and supervision of the board of regents, a municipal university, or a not-for-profit independent institution of higher education which is accredited by the north central association of colleges and secondary schools accrediting agency based on its requirements as of April 1, 1985, or by the higher learning commission of the north central association of colleges and schools based on its requirements as of January 1, 2006, is operated independently and not controlled or administered by the state or any agency or subdivision thereof, maintains open enrollment, and the main campus or principal place of operation of which is located in
Kansas the same as defined in K.S.A. 76-711, and amendments thereto.

(g) "Open enrollment" means the policy of an institution of higher education— which that provides the opportunity of enrollment for any student who meets its academic and other reasonable enrollment requirements, without regard for race, gender, religion, creed or national origin.

(h) "Board of regents" means the state board of regents provided for in the constitution of this state and described in article 32 of chapter 74 of the Kansas Statutes Annotated, and amendments thereto.

(i) "Term" means one of two or more divisions of an academic year of a Kansas educational institution in which substantially all courses begin and end at substantially the same time, and during which instruction is regularly given to students.

(j) "Semester" means one of two principal terms, when there are only two principal terms in the academic year, whether or not there are other shorter terms during the same academic year.

(k) "Not-for-profit independent institution of higher education" means a business enterprise that:

(1) Is operated on a not-for-profit basis;

(2) has its primary physical location in Kansas;

(3) is accredited by an agency approved and recognized by the United States department of education as a postsecondary educational accrediting agency;

(4) is not subject to the control or supervision of the state or any agency or political subdivision thereof; and

(5) maintains an enrollment policy that provides an opportunity for any student who meets the institution's academic and other reasonable enrollment requirements to enroll in such institution regardless of the race, gender, religion, creed or national origin of such student.

(l) "Treasurer" means the state treasurer or the state treasurer's designee.

Sec. 4. K.S.A. 74-32,121 is hereby amended to read as follows: 74-32,121. A Kansas comprehensive grant may be awarded to any Kansas student enrolled at any Kansas state educational institution, municipal university or not-for-profit independent institution of higher education. A Kansas student may be awarded grants for not more than eight semesters of undergraduate study or the equivalent thereof, except that a student may be awarded grants for not more than an additional two semesters of study, or the equivalent thereof, when the requirements of the educational program in which the student is enrolled include the completion of a fifth year of study. The board of regents shall determine the equivalent of a semester for state educational institutions and municipal universities when all or part of the terms for which a Kansas student is awarded a Kansas
comprehensive grant are not semesters. The treasurer shall determine the equivalent of a semester for not-for-profit independent institutions of higher education when all or part of the terms for which a student is awarded a Kansas comprehensive grant are not semesters.

Sec. 5. K.S.A. 74-32,122 is hereby amended to read as follows: 74-32,122. (a) For a Kansas student enrolled at any state educational institution or municipal university, the amount of a Kansas comprehensive grant awarded to such student for the fall and spring semesters, or the equivalent thereof, shall be—(1) for a student enrolled at a state educational institution or municipal university, the amount of the student's financial need for the period, except that a grant awarded to such a student in any year shall not exceed an amount equal to one-half \(\frac{1}{2}\) of the average amount of the total tuition and fees required of full-time, in-state students for enrollment at the state educational institutions for two semesters or the equivalent thereof, and (2) for...

(b) For a student enrolled at a not-for-profit independent institution of higher education, the amount of a Kansas comprehensive grant awarded to such student for the fall and spring semesters, or the equivalent thereof, shall be the amount of the student's financial need for the period, except that a grant awarded to such a student in any year shall not exceed the lesser of an amount equal to the total tuition and required fees of the student for two semesters, or the equivalent thereof, or an amount equal to one-half \(\frac{1}{2}\) of the difference between the average amount of the total tuition and required fees of full-time, in-state students who are enrolled at the state educational institutions and the average amount of the total tuition and required fees of full-time, in-state students who are enrolled at the independent institutions of higher education.

(c) When Kansas comprehensive grants are awarded to a Kansas student for one or more terms that are not semesters, the board of regents shall determine the equivalent of the fall and spring semesters for state educational institutions and municipal universities and the treasurer shall determine the equivalent of the fall and spring semesters for not-for-profit independent institutions of higher education.

Sec. 6. K.S.A. 74-32,123 is hereby amended to read as follows: 74-32,123. (a) A Kansas comprehensive grant may be paid annually for both the fall and spring semesters, or the equivalent thereof. Payments under any such grant shall be allocated equally between the semesters, when the student plans to attend two semesters in an academic year; and otherwise as specified by the board of regents for state educational institutions and municipal universities or treasurer for not-for-profit independent institutions of higher education. Kansas comprehensive grants shall be paid at the beginning of each semester or other term upon certification by the Kansas state educational institution, municipal university or not-for-
profit independent institution of higher education that the student is enrolled and is a Kansas student.

(b) (1) Payments of Kansas comprehensive grants awarded to students enrolled at any state educational institution or municipal university shall be made pursuant to vouchers approved by the administrative officer of the board of regents designated by the board upon warrants of the director of accounts and reports. Payments of Kansas comprehensive grants may be made by the issuance of a single warrant to each Kansas state educational institution or municipal university at which a Kansas student is enrolled for the total amount of grants for all Kansas students enrolled at that institution. The director of accounts and reports shall cause such warrant to be delivered to the Kansas state educational institution or municipal university where such student or students are enrolled. Upon receipt of such warrant, the amount thereof shall be credited to the Kansas comprehensive grant fund of the Kansas state educational institution or municipal university and allocated within the fund to the account of each Kansas student enrolled at that institution. The amount to be credited to the account of each such student shall be specified by the board of regents.

(2) Payments of Kansas comprehensive grants awarded to students enrolled at a not-for-profit independent institution of higher education shall be made pursuant to vouchers approved by the treasurer upon warrants of the director of accounts and reports. Payments of Kansas comprehensive grants may be made by the issuance of a single warrant to each not-for-profit independent institution of higher education where a Kansas student is enrolled for the total amount of grants for all Kansas students enrolled at that institution. The director of accounts and reports shall cause such warrant to be delivered to the not-for-profit independent institution of higher education where such students are enrolled. Upon receipt of such warrant, the amount thereof shall be credited to the comprehensive grant fund of the institution and allocated within the fund to the amount of each Kansas student enrolled at that institution. The amount to be credited to the account of each such student shall be specified by the treasurer.

(b)(c) If a student discontinues attendance before the end of any semester or other term, after the Kansas educational institution has received payment under this section, the institution shall debit the account of the student by an amount equal to the entire amount which such student would otherwise qualify to have refunded, not to exceed the amount credited to the account of the student under the Kansas comprehensive grant program at the beginning of such semester or term and, if the student has received payments under any federal program of student assistance in the semester or other term, less an amount equal to the pro rata share of
such entire amount which is attributable to the assistance received by the
student under such federal program or programs.
(c)(d) All amounts debited by a Kansas educational institution under
subsection (b)(c) shall be reallocated within the Kansas comprehensive
grant fund of the institution to the account of other eligible Kansas
students as specified by the board of regents for state educational
institutions and municipal universities and the treasurer for not-for-profit
independent institutions of higher education.
Sec. 7. K.S.A. 74-32,124 is hereby amended to read as follows: 74-
32,124. (a) The board of regents shall administer the Kansas
comprehensive grant program for state educational institutions and
municipal universities and shall:
(1) Provide information regarding application procedures;
(2) adopt rules and regulations for determining financial need and
cost of attendance at Kansas state educational institutions and municipal
universities, determining the average amount of tuition and fees required
of full-time, in-state students for enrollment at the state educational
institutions, the municipal university, and the independent institutions
of higher education universities, determining residence, determining
priority or apportionment of Kansas comprehensive grants to state
educational institutions and municipal universities and other matters
necessary for administration of the program for such institutions;
(3) allocate as base funding to each Kansas state educational
institution and municipal university the amount of Kansas comprehensive
grant funds awarded to the institution for fiscal year 1999; or, in the event
funding is less than that provided for fiscal year 1999, the pro-rated share
of that appropriation;
(4) appoint a five-member three-member advisory committee,
including two representatives from state educational institutions, two
representatives from not-for-profit independent institutions, and one
representative from a municipal university universities, to recommend
annually to the board of regents the formula to be used in apportioning
funds in excess of the fiscal year 1999 appropriation to the Kansas
educational institutions according to the formula based on financial need;
(5) approve Kansas students enrolled at any state educational
institution or municipal university for the award of Kansas comprehensive
grants; and
(6) evaluate the Kansas comprehensive grant program for state
educational institutions and municipal universities annually, and make a
report thereon to the governor and legislature for the period thereon.
(b) The board of regents may provide for apportionment of Kansas
comprehensive grants for students enrolled at any state educational
institution or municipal university if appropriations therefor are
insufficient to pay all approved grants.

Sec. 8. K.S.A. 74-32,125 is hereby amended to read as follows: 74-32,125. (a) Each applicant student enrolled at a state educational institution or municipal university who applies for a Kansas comprehensive grant, in accordance with rules and regulations of the board of regents, shall:

(a)(1) Complete and file an application for a grant; and

(b)(2) report promptly to the board of regents and to the Kansas state educational institution at which or municipal university where the applicant is enrolled or enrolling any information requested relating to administration of the Kansas comprehensive grant program for state educational institutions and municipal universities.

(b) Each student enrolled at a not-for-profit independent institution of higher education who applies for a Kansas comprehensive grant shall:

(1) Complete and file an application for a grant; and

(2) report promptly to the treasurer and to the institution where the applicant is enrolled or enrolling any information requested by the treasurer related to the administration of the Kansas comprehensive grant program for not-for-profit independent institutions of higher education.

Sec. 9. K.S.A. 74-32,120, 74-32,121, 74-32,122, 74-32,123, 74-32,124 and 74-32,125 are hereby repealed.

Sec. 10. This act shall take effect and be in force from and after its publication in the Kansas register.