

HOUSE BILL No. 2359

By Representatives K. Williams and Landwehr

2-8

1 AN ACT concerning education; making and concerning appropriations for
2 fiscal year 2025, for the state department of education; establishing the
3 sunflower teacher-student mentor program; pairing secondary students
4 who are interested in pursuing a teaching career with teacher mentors;
5 providing bonuses to participating teachers; requiring the state treasurer
6 to establish education savings accounts for participating students;
7 authorizing student accounts to be used for academic tutoring and
8 postsecondary education expenses; requiring certain transfers from the
9 state general fund upon establishment of student accounts; establishing
10 the sunflower teacher-student mentor program fund; prioritizing
11 participating students for postsecondary educational scholarships under
12 the Kansas promise scholarship act and the teacher service scholarship
13 program act; providing an income tax subtraction modification to
14 federal adjusted gross income for amounts deposited in a student
15 program account; amending K.S.A. 74-32,101 and 74-32,102 and
16 K.S.A. 2022 Supp. 74-32,272, 74-32,275 and 79-32,117 and repealing
17 the existing sections.
18

19 *Be it enacted by the Legislature of the State of Kansas:*
20 New Section 1.

21 DEPARTMENT OF EDUCATION

22 (a) There is appropriated for the above agency from the state general
23 fund for the fiscal year ending June 30, 2025, the following:
24 Sunflower teacher-student mentor program.....\$240,000
25 *Provided*, That expenditures shall be made by the above agency from the
26 sunflower teacher-student mentor program account to provide a \$500
27 bonus each semester to a teacher who is participating in the sunflower
28 teacher-student mentor program pursuant to section 2 et seq., and
29 amendments thereto: *Provided further*, That the above agency shall
30 distribute such bonus payments to participating school districts for
31 distribution to participating teachers at the time or times determined by the
32 state board of education.

33 New Sec. 2. (a) Sections 2 through 13, and amendments thereto, shall
34 be known and may be cited as the sunflower teacher-student mentor
35 program.

36 (b) The sunflower teacher-student mentor program is hereby

1 established and shall be administered jointly by the state board of
2 education, the treasurer and the boards of education of participating school
3 districts in accordance with the roles and obligations set forth for each
4 entity under this act.

5 (c) The provisions of sections 2 through 13, and amendments thereto,
6 shall expire on July 1, 2027, unless after reviewing the program, the
7 legislature extends the program.

8 New Sec. 3. The legislature hereby declares that the purpose and
9 intent of the sunflower teacher-student mentor program is to:

10 (a) Increase the number of future Kansas teachers through the
11 cooperative and intentional partnership of students and licensed teachers in
12 urban and rural school districts that face challenges with teacher shortages
13 and student achievement outcomes;

14 (b) identify, encourage and engage students in grades seven through
15 11 who desire to pursue a career in the field of education as a teacher;

16 (c) promote and encourage a love for learning and teaching at an
17 early age;

18 (d) create positive relationships between students and teachers and
19 improve student mental health through purpose-driven inspiration;

20 (e) promote higher academic achievement and better educational
21 outcomes for students by pairing students who participate in the sunflower
22 teacher-student mentor program with licensed teachers who will provide
23 mentorship, guidance and additional educational supports to participating
24 students;

25 (f) increase the number of Kansas students who will enroll in a
26 Kansas postsecondary institution of higher education to pursue a degree
27 that will lead to a career in the field of education; and

28 (g) provide additional assistance to participating teacher mentors
29 through teacher bonus payments.

30 New Sec. 4. As used in the sunflower teacher-student mentor
31 program:

32 (a) "Account" means a sunflower teacher-student mentor program
33 account established on behalf of a participating student.

34 (b) "Eligible student" means a student enrolled in any of the grades
35 seven through 11 at a participating school district who is identified and
36 recommended for participation in the program by the teacher-led process
37 for the identification and recommendation of students established pursuant
38 to section 5, and amendments thereto.

39 (c) "Teacher-student mentor" means a licensed teacher of a
40 participating school district who is paired with a participating student
41 through the teacher-student mentor application process established
42 pursuant to section 6, and amendments thereto.

43 (d) "Parent" means a parent, legal guardian, custodian or other person

1 with authority to act on behalf of an eligible student.

2 (e) "Participating school district" means, in school year 2024 and
3 each school year thereafter, the following school districts:

4 (1) Unified school district no. 457, Garden City public schools, or if
5 such school district chooses not to participate, the state board of education
6 shall select a similarly situated school district within such geographic
7 region for participation in the program;

8 (2) unified school district no. 229, Blue Valley public schools, or if
9 such school district chooses not to participate, the state board of education
10 shall select another school district within such geographic region for
11 participation in the program;

12 (3) one school district classified by the high school activities
13 association as 4A, 5A or 6A that shall be selected by the state board of
14 education, which shall endeavor to select school districts from different
15 geographic regions of the state; and

16 (4) one school district classified by the high school activities
17 association as 1A, 2A or 3A that shall be selected by the state board of
18 education, which shall endeavor to select school districts from different
19 regions across the state.

20 (f) "Participating student" means an eligible student whose parent has
21 entered into a written agreement with the treasurer pursuant to section 8,
22 and amendments thereto, for the student to participate in the program
23 during the school year.

24 (g) "Program" means the sunflower teacher-student mentor program
25 established pursuant to this act.

26 (h) "Treasurer" means the state treasurer or the state treasurer's
27 designee.

28 New Sec. 5. (a) The board of education of each participating school
29 district shall establish a process for licensed teachers within the school
30 district to identify and recommend students for participation in the
31 program. Such teacher-led process for the identification and
32 recommendation of students shall be conducted pursuant to the uniform
33 and equitable guidelines for student recommendations established by the
34 sunflower teacher-student mentor program task force pursuant to section 6,
35 and amendments thereto.

36 (b) Commencing in school year 2024-2025, and for each school year
37 thereafter, a participating school district shall conduct the teacher-led
38 process for the identification and recommendation of students for
39 participation in the program. Upon completion of such identification and
40 recommendation process, there shall be selected, from the pool of students
41 identified and recommended pursuant to such process, up to five students
42 from each of the grades seven through 11 from not more than three middle
43 schools and two high schools of the participating school district. Students

1 selected pursuant to such process shall be eligible to participate in the
2 program. When selecting students for participation in the program, any
3 student who participated in the program during the preceding school year
4 shall be prioritized for continued participation in the program if such
5 student complied with the requirements of the program during the
6 preceding school year and made sufficient academic progress during such
7 school year as determined by the student's teacher-student mentor or by
8 the board of education of the school district.

9 (c) To be selected as a participating student for program participation,
10 a student shall:

11 (1) Be a resident of Kansas;

12 (2) be enrolled in and attending any of the grades seven through 11 at
13 a middle or high school of a participating school district;

14 (3) show a genuine interest in the pursuit of a career in the field of
15 education as a teacher, coach, paraprofessional or other school employee;
16 and

17 (4) show a desire to participate in the program as evidenced through
18 discussions between the participating school district, the student and the
19 student's parent or parents.

20 New Sec. 6. (a) (1) There is hereby established the sunflower teacher-
21 student mentor program task force. The task force shall consist of the
22 following four members:

23 (A) One member appointed by the board of education of unified
24 school district no. 457, Garden City public schools or, if such school
25 district chooses not to participate, one member appointed by the board of
26 education of the school district selected by the state board of education for
27 participating in the program; and

28 (B) one member appointed by the board of education of unified
29 school district no. 229, Blue Valley public schools or, if such school
30 district chooses not to participate, one member appointed by the board of
31 education of the school district selected by the state board of education for
32 participating in the program;

33 (C) one member appointed by the board of education of the school
34 district classified by the high school activities association as 4A, 5A or 6A
35 that is selected by the state board of education for participation in the
36 program; and

37 (D) one member appointed by the board of education of the school
38 district classified by the high school activities association as 1A, 2A or 3A
39 that is selected by the state board of education for participation in the
40 program.

41 (2) Members of the task force shall be employed by the school
42 district that appointed such members.

43 (b) Members of the task force shall be appointed on or before

1 September 1, 2023. The first meeting of the task force shall be called on or
2 before January 1, 2023, by the member appointed by the board of
3 education of unified school district no. 457. At the first meeting of the task
4 force, the members of the task force shall select a chairperson from the
5 membership of the task force. The task force may meet at any time and
6 place within the state. Meetings of the task force may be conducted
7 through virtual meeting software. Meetings of the task force shall be
8 subject to the open meetings act.

9 (c) The sunflower teacher-student mentor program task force shall:

10 (1) Establish uniform and equitable guidelines for the teacher-led
11 process for the identification and recommendation of eligible students for
12 participation in the program;

13 (2) support participating school districts with the implementation and
14 operation of the program;

15 (3) compile lists of tutoring opportunities and resources that are
16 available within each participating school district including any teachers
17 within the district that offer after-school tutoring services to students
18 participating in the program;

19 (4) establish the maximum hourly rate of pay that a teacher who is
20 employed by the participating school district may charge for after-school
21 tutoring services provided to a student participating in the program; and

22 (5) compile information on postsecondary financial assistance
23 resources and scholarship programs that may be available to the students
24 who participate in the program, including, but not limited to, the Kansas
25 promise scholarship program act, the teacher service scholarship program
26 act and any other private, local, state or federal financial assistance
27 options.

28 New Sec. 7. (a) The board of education of each participating school
29 district shall establish an application process for licensed teachers in the
30 participating school district to apply to become a teacher-student mentor
31 under the program. The application shall require a teacher to provide such
32 teacher's rationale and motivation to be a mentor of a student participating
33 under the program. The board of education of each participating school
34 district shall provide to each teacher who requests an application a
35 description of the program, the requirements that will be imposed upon the
36 teacher if such teacher is selected to be a teacher-student mentor and any
37 other information the board of education of the participating school district
38 deems necessary. The board of education of a participating school district
39 shall allow teachers who teach in any subject area or academic discipline
40 to apply and participate as a teacher-student mentor under the program.

41 (b) The board of education of a participating school district shall
42 select, from the pool of such applicants, the number of licensed teachers
43 that is equal to the number of students selected to participate in the

1 program in the participating school district. A teacher-student mentor shall
2 only mentor one participating student during the applicable school year.
3 Before a teacher may begin to mentor a participating student under the
4 program, the teacher shall agree to comply with the requirements of the
5 program and the responsibilities imposed upon such teacher under the
6 program.

7 (c) Each teacher-student mentor shall:

8 (1) Individually mentor the participating student during the school
9 year;

10 (2) oversee the growth of the participating student's academics and
11 participation in school programs and activities;

12 (3) embody and promote to the participating student a love for
13 continuous learning and the teaching profession;

14 (4) encourage higher academic achievement by facilitating and
15 directing the student to academic tutoring resources for which a student
16 may use such student's account moneys;

17 (5) integrate the participating student into the teacher's daily
18 classroom duties to provide valuable experience and training in the
19 teaching profession;

20 (6) help direct the participating student to educational resources and
21 academic assistance that are available to the student;

22 (7) assist participating students with completion of the free
23 application for federal student aid when students are approaching
24 graduation; and

25 (8) provide guidance and information on financial assistance and
26 scholarships that may be available to the student, including, but not limited
27 to, the scholarship opportunities provided under the promise scholarship
28 act and the teacher service scholarship program act.

29 (d) The board of education of a participating school district shall
30 endeavor to support each teacher-student mentor through a reduction in the
31 teacher's daily work load to provide the teacher-student mentor adequate
32 support and time to mentor the participating student.

33 (e) Each teacher-student mentor shall be eligible to receive, subject to
34 appropriations therefor, a bonus in the amount of \$500 for each semester
35 of the school year in which the teacher participates as a teacher-student
36 mentor under the program.

37 (f) A teacher-student mentor participating in the program shall not be
38 required or expected to provide or offer tutoring services to a participating
39 student.

40 New Sec. 8. (a) For a student to participate in the program, a parent
41 of such student shall enter into a written agreement with the treasurer in
42 such manner and form as prescribed by the treasurer. The written
43 agreement between the parent of a student and the treasurer shall provide

1 that:

2 (1) The student shall participate in the program during the school
3 year;

4 (2) the treasurer shall establish an account for the student in the
5 sunflower teacher-student mentor program fund established by section 10,
6 and amendments thereto;

7 (3) the parent and the student shall comply with all requirements and
8 rules and regulations of the program; and

9 (4) the moneys in the participating student's account shall only be
10 expended upon expenditures authorized pursuant to section 9, and
11 amendments thereto.

12 (b) The treasurer shall establish an account for each student whose
13 parent enters into a written agreement with the treasurer and satisfies the
14 requirements of this act. Only one account may be established for each
15 participating student. A parent acting on behalf of more than one student
16 shall have a separate written agreement for each such student.

17 (c) Except as provided in subsection (e), a written agreement entered
18 into pursuant to this act shall expire on June 30 immediately following the
19 date the agreement became effective. A written agreement may be renewed
20 by the parent of a student upon the student's continued participation in the
21 program in the succeeding school year and upon the written consent of the
22 parent and the treasurer to reenter into a written agreement pursuant to this
23 section.

24 (d) A written agreement shall be inactivated and closed by the
25 treasurer upon a determination that:

26 (1) Moneys in an account were knowingly used for purposes other
27 than those allowed pursuant to section 9, and amendments thereto; and

28 (2) the student no longer participates in the program in accordance
29 with the requirements of the program.

30 (e) An account may be closed by a parent at any time upon a written
31 request to the treasurer to close such account.

32 (f) When a written agreement is terminated, the account associated
33 with such agreement shall be deemed inactive, and the treasurer shall close
34 the account.

35 (g) Any written agreement authorized by this section may be
36 provided through an electronic document and may be electronically
37 signed.

38 New Sec. 9. (a) (1) Except as provided in subsection (b), moneys in
39 the participating student's account shall only be expended by the parent of
40 the student to provide qualifying tutoring programs and services to the
41 participating student. Qualifying tutoring programs and services shall only
42 be provided within the subjects of mathematics and English language arts.
43 Such tutoring services may be provided by:

1 (A) An independent or private tutoring service provider; and

2 (B) a licensed teacher who agrees to provide tutoring services outside
3 of the teacher's school employment contract or pursuant to a supplemental
4 contract subject to the maximum hourly rate of pay for such tutoring
5 services established by the sunflower teacher-student mentor program task
6 force.

7 (2) No payment may be made from a participating student's account
8 to any immediate family member of the student.

9 (b) Except as provided in paragraph (4), any student who participated
10 in the program for a cumulative total of three or more school years and has
11 moneys remaining in the student's account after the student graduates from
12 high school may enter into a written agreement with the treasurer, in such
13 manner and form as prescribed by the treasurer, to maintain the student's
14 account and use the remaining moneys in the account for tuition, fees,
15 books and materials that are required for enrollment at any postsecondary
16 educational institution in the state. The written agreement between the
17 student and the treasurer authorized pursuant to this subsection shall
18 provide that:

19 (1) The treasurer shall maintain the student's account in the sunflower
20 teacher-student mentor program fund established pursuant to section 10,
21 and amendments thereto, until the treasurer terminates the written
22 agreement and closes the account. The treasurer shall terminate any such
23 written agreement when:

24 (A) No moneys remain in the account;

25 (B) the student closes such account;

26 (C) moneys in an account were knowingly used for purposes other
27 than those allowed by this subsection;

28 (D) the student does not intend to enroll in a postsecondary
29 educational institution in this state; or

30 (E) 180 days have passed since the student enrolled in a
31 postsecondary educational institution in this state.

32 (2) The student shall only expend account moneys on tuition, fees,
33 books and materials required for enrollment and attendance at any
34 postsecondary educational institution in the state.

35 (3) A written agreement authorized by this subsection may be
36 provided through an electronic document and may be electronically signed
37 by the parties to such agreement.

38 (4) The three-year participation requirement provided pursuant to
39 paragraph (1) shall not apply to any student who participated in the
40 program while such student was enrolled in grade 10 or 11 during the
41 2023-2024 school year, and any such participating student shall be
42 authorized to maintain the student's account for postsecondary educational
43 expenses pursuant to the requirements of this subsection.

1 (c) Any person or entity providing tutoring services purchased with
2 moneys from an account shall not share, refund or rebate any portion of
3 such moneys to the parent or participating student.

4 New Sec. 10. (a) (1) There is hereby established in the state treasury
5 the sunflower teacher-student mentor program fund to be administered by
6 the treasurer. Moneys in the sunflower teacher-student mentor program
7 fund shall be expended only for the purposes established in this act. All
8 moneys received pursuant to this section shall be deposited in the state
9 treasury in accordance with the provisions of K.S.A. 75-4215, and
10 amendments thereto, and shall be credited to the sunflower teacher-student
11 mentor program fund.

12 (2) The director of accounts and reports shall create a procedure for
13 the sunflower teacher-student mentor program fund to have individual
14 student accounts therein. Each student's accumulated moneys in the
15 student's account shall earn interest based on the average daily balance of
16 moneys in each student's account for the preceding month and the net
17 earnings rate of the pooled money investment portfolio for the preceding
18 month. The amount of interest earned shall be added monthly to each
19 student's account in the sunflower teacher-student mentor program fund.

20 (b) Upon execution of an agreement in accordance with section 8, and
21 amendments thereto, the treasurer shall establish an account in the
22 sunflower teacher-student mentor program fund in the state treasury in the
23 name of the participating student. Upon establishment or renewal of an
24 account, the treasurer shall transfer \$500 to the participating student's
25 account.

26 (c) On or before August 1 of each year, the treasurer shall determine
27 the amount to be transferred to the sunflower teacher-student mentor
28 program fund by multiplying the total number of participating students in
29 the program by \$500. The treasurer shall certify the resulting amount to
30 the director of accounts and reports, and upon receipt of such certification,
31 the director shall transfer such certified amount from the state general fund
32 to the sunflower teacher-student mentor program fund.

33 (d) (1) Each account shall remain active until a written agreement
34 expires or is terminated pursuant to section 8, and amendments thereto.

35 (2) If an account is terminated pursuant to section 8, and amendments
36 thereto, the treasurer shall close the account and certify the amount of
37 moneys remaining in the account to the director of accounts and reports.
38 Upon certification of such amount, the treasurer shall deposit such amount
39 in the state treasury to the credit of the state general fund. Funds remaining
40 in an individual student account at the end of a school year shall roll over
41 to such account in the next succeeding school year if such account is
42 renewed or is eligible to be renewed in accordance with the renewal
43 options provided under the program.

1 (e) The treasurer shall notify the parent of any expenditures from a
2 participating student's account that do not meet the requirements of section
3 9, and amendments thereto. Such parent shall repay the cost of any such
4 expenditures within 30 days of notification by the treasurer.

5 (f) If the treasurer determines that moneys in an account have been
6 used for purposes other than the expenditures allowed pursuant to section
7 9, and amendments thereto, the treasurer may:

8 (1) Prohibit further expenditures from the account until such time as
9 determined by the treasurer;

10 (2) require a parent to repay the cost of any unauthorized expenditure;

11 (3) prorate amounts to be deposited in such account; and

12 (4) terminate the account.

13 (g) The treasurer may contract with a third party pursuant to K.S.A.
14 75-3739, and amendments thereto, for the establishment of an electronic
15 account maintenance and payment system. No personal deposits may be
16 made into an account. If a parent make an otherwise allowable expenditure
17 without using the account payment system, the parent shall not use such
18 account to reimburse the parent for any such expenditure. Any electronic
19 fund transfer from an account shall only be for expenditures authorized
20 pursuant to the program and approved by the treasurer.

21 (h) The treasurer shall conduct or contract to conduct annual audits of
22 accounts to ensure compliance with the provisions of this act and may
23 conduct or contract to conduct additional audits of accounts as needed.

24 New Sec. 11. On or before December 31, 2024, and each December
25 31 thereafter, the state board of education shall prepare and submit a report
26 on the sunflower teacher-student mentor program to the legislature that
27 shall provide the number of students participating in the program, a
28 summary of the academic achievement improvement that participating
29 students experience under the program, a summary of the longevity of
30 participating student participation in the program, reports and first-hand
31 accounts from participating mentor teachers regarding the success of the
32 program and any other information the state board deems relevant or
33 necessary. The state board shall only report disaggregated student data and
34 shall not present any personally identifiable student data in such report.

35 New Sec. 12. The treasurer's actions under this act shall be subject to
36 the Kansas administrative procedure act and reviewable under the Kansas
37 judicial review act. Any parent of a participating student aggrieved by a
38 decision of the treasurer may appeal such decision in accordance with such
39 acts.

40 New Sec. 13. (a) In each school year, each participating school
41 district shall certify to the state board of education and the treasurer the
42 name, school and grade level of each participating student and the number
43 of school years that the student has participated in the program.

1 (b) The state board of education and the treasurer shall post and
2 maintain on their websites information about the program and the
3 requirements for participation in the program.

4 (c) The state board of education shall provide support to participating
5 school districts to implement the provisions of this act.

6 (d) The state board of education and the treasurer may adopt rules and
7 regulations necessary to carry out the provisions of this act.

8 Sec. 14. K.S.A. 74-32,101 is hereby amended to read as follows: 74-
9 32,101. As used in the teacher service scholarship program act:

10 (a) "Executive officer" means the chief executive officer of the state
11 board of regents appointed under K.S.A. 74-3203a, and amendments
12 thereto.

13 (b) "Qualified student" means a person who:

14 (1) Is a resident of the state of Kansas;

15 (2) (A) has been accepted for admission to or is enrolled in a course
16 of instruction leading to licensure as a teacher in a hard-to-fill teaching
17 discipline or in an underserved area;

18 (B) is licensed as a teacher and is endorsed to teach in a field which is
19 not a hard-to-fill teaching discipline or is not in an underserved area, but
20 has been accepted for admission to, or is enrolled in, a course of
21 instruction leading to endorsement in a hard-to-fill teaching discipline or
22 in an underserved area; or

23 (C) is licensed as a teacher and has been accepted for admission to, or
24 is enrolled in, a course of instruction leading to a master's degree in the
25 field of education as a teacher in a hard-to-fill teaching discipline or in an
26 underserved area; and

27 (3) has qualified for the award of a scholarship under the teacher
28 service scholarship program on the basis of having demonstrated
29 scholastic ability, *on the basis of prior participation in the sunflower*
30 *teacher-student mentor program pursuant to section 2 et seq., and*
31 *amendments thereto*, or who has previously so qualified and remains
32 qualified for renewal of the scholarship on the basis of remaining in good
33 standing and making satisfactory progress toward completion of the
34 requirements of the course of instruction in which enrolled.

35 (c) "Hard-to-fill teaching discipline" means a teaching discipline in
36 which there is a critical shortage of teachers as determined and specified
37 by the state board of education.

38 (d) "Underserved area" means a geographic area of the state in which
39 there is a critical shortage of teachers as determined and specified by the
40 state board of education.

41 Sec. 15. K.S.A. 74-32,102 is hereby amended to read as follows: 74-
42 32,102. (a) There is hereby established the teacher service scholarship
43 program. A scholarship may be awarded under the teacher service

1 scholarship program to any qualified student and may be renewed for each
2 such student who remains qualified for the scholarship. Determination of
3 the students qualified for such scholarships shall be made by the executive
4 officer. Scholastic ability shall be determined on the basis of any one or
5 more of the following: (1) High ACT or SAT score; (2) rank in high school
6 graduation class; (3) cumulative high school or college grade point
7 average; or (4) any other indicator of scholastic ability which the state
8 board of regents determines to be demonstrative of potential for successful
9 completion of a course of instruction leading to licensure as a teacher.
10 *Students who participated in the sunflower teacher-student mentor*
11 *program under section 2 et seq., and amendments thereto, shall be given*
12 *priority for scholarship awards under the teacher service scholarship*
13 *program.* To the extent practicable and consistent with qualification
14 factors, consideration shall be given to qualified students who are
15 members of ethnic minority groups.

16 (b) Within the limitations of appropriations therefor, the number of
17 scholarships awarded and the amount awarded to each applicant shall be
18 determined by the executive officer. The amount awarded shall be
19 specified in the agreement. The amount awarded may vary depending
20 upon the number of hours and the program in which the applicant is
21 enrolled. For academic year 2007-2008, the amount awarded shall not
22 exceed \$2,500 each semester or its equivalent. For academic year 2008-
23 2009 and each year thereafter, the maximum amount that may be awarded
24 shall be increased by an amount equal to the percentage increase in the
25 *urban* CPI-~~(urban)~~ during the preceding fiscal year as certified to the
26 executive officer by the director of the budget on August 15 of each year.

27 (c) If a student is not enrolled on a full-time basis, a student shall
28 complete the course of study within the time period specified in the
29 agreement and shall receive a proportionate amount of the scholarship
30 allowed under subsection (b) based upon the number of hours enrolled in
31 an academic period, and computed as a fraction of the total number of
32 credit hours required for full-time enrollment.

33 Sec. 16. K.S.A. 2022 Supp. 74-32,272 is hereby amended to read as
34 follows: 74-32,272. (a) There is hereby established the Kansas promise
35 scholarship program. The state board of regents shall implement and
36 administer the program.

37 (b) On or before March 1, 2023, the state board of regents shall adopt
38 rules and regulations to implement and administer the Kansas promise
39 scholarship program. Such rules and regulations shall establish:

40 (1) A scholarship application process, including, but not limited to,
41 accepting scholarship applications throughout the academic year and
42 processing such applications in the order such applications were received;

43 (2) appeal procedures for denial or revocation of a Kansas promise

1 scholarship;

2 (3) guidelines to ensure as much as is practicable that, if a student
3 who received a Kansas promise scholarship graduates from a promise
4 eligible program and subsequently enrolls in a state educational institution,
5 as defined in K.S.A. 76-711, and amendments thereto, or municipal
6 university, any courses taken by such student shall be transferred to the
7 state educational institution or municipal university and qualify toward the
8 student's baccalaureate degree;

9 (4) the terms, conditions and requirements that shall be incorporated
10 into each Kansas promise scholarship agreement, which shall not be more
11 stringent than the requirements for Kansas promise scholarship agreements
12 provided in this act;

13 (5) procedures for requesting and approving medical, military and
14 personal absences from an eligible postsecondary educational institution
15 while receiving a Kansas promise scholarship;

16 (6) criteria for determining whether a student who received a Kansas
17 promise scholarship fulfilled the residency, employment and repayment
18 requirements included in a Kansas promise scholarship agreement as
19 provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto;

20 (7) criteria for determining when a student who received a Kansas
21 promise scholarship may be released from the requirements of a Kansas
22 promise scholarship, if there are special circumstances that caused such
23 student to be unable to complete such requirements; and

24 (8) that no eligible postsecondary educational institution may:

25 (A) Limit scholarship awards to certain promise eligible programs at
26 such institution; or

27 (B) award less than the full Kansas promise scholarship amount for
28 which a student qualifies as long as funds are available in the Kansas
29 promise scholarship program fund.

30 (c) The state board of regents shall:

31 (1) Identify the promise eligible programs offered by each eligible
32 postsecondary educational institution that are:

33 (A) Within a field of study designated by the eligible postsecondary
34 educational institution pursuant to K.S.A. 2022 Supp. 74-32,273, and
35 amendments thereto; and

36 (B) in any of the following fields of study:

37 (i) Information technology and security;

38 (ii) mental and physical healthcare;

39 (iii) advanced manufacturing and building trades; or

40 (iv) early childhood education and development, *elementary*
41 *education and secondary education*;

42 (2) work with community partners, such as community foundations,
43 school districts, postsecondary educational institutions, Kansas business

1 and industry and Kansas economic development organizations to publicize
2 Kansas promise scholarships, including, but not limited to, publicizing
3 eligible postsecondary educational institutions, approved scholarship-
4 eligible educational programs, application procedures and application
5 deadlines;

6 (3) disburse funds to each eligible postsecondary educational
7 institution for the purpose of awarding Kansas promise scholarships;

8 (4) request information from eligible postsecondary educational
9 institutions and any state agency necessary for the administration of this
10 act;

11 (5) accept electronic signatures as sufficient and valid on all forms
12 and agreements required by the Kansas promise scholarship program and
13 any rules and regulations adopted thereunder;

14 (6) enforce Kansas promise scholarship agreements;

15 (7) collect any moneys repaid by students pursuant to K.S.A. 2022
16 Supp. 74-32,276, and amendments thereto;

17 (8) determine whether students who received a Kansas promise
18 scholarship fulfill the residency, employment and repayment requirements
19 provided in K.S.A. 2022 Supp. 74-32,276, and amendments thereto; and

20 (9) ~~beginning in January 2022,~~ annually evaluate the Kansas promise
21 scholarship program and prepare and submit a report to the senate standing
22 committee on education and the house of representatives standing
23 committee on education. Such report shall include, but not be limited to,
24 the total program cost for each promise eligible program at each eligible
25 postsecondary educational institution, the amount of scholarship moneys
26 awarded that went to each promise eligible program, the number of credit
27 hours paid for with scholarship moneys, the amount of scholarship moneys
28 expected to be awarded to each institution for each semester, the number
29 of scholarships awarded, the total amount of scholarship moneys awarded,
30 the amount of scholarship moneys provided for tuition, fees, books and
31 supplies, measures postsecondary educational institutions have taken in
32 working with private business and industry in the state to determine
33 appropriate fields of study and a review of the employment of scholarship
34 recipients who have completed the Kansas promise scholarship program,
35 including, but not limited to, employment fields and geographic location
36 of such employment.

37 (d) (1) The state board of regents may designate an associate degree
38 transfer program as an eligible program only if such program is included
39 in:

40 (A) An established 2+2 agreement with a Kansas four-year
41 postsecondary educational institution; or

42 (B) an articulation agreement with a Kansas four-year postsecondary
43 educational institution and is part of an established degree pathway that

1 allows a student to transfer at least 60 credit hours from the eligible
2 postsecondary educational institution to a four-year postsecondary
3 educational institution for the completion of an additional 60 credit hours
4 toward a bachelor's degree.

5 (2) The provisions of this subsection shall be construed and applied
6 retroactively to the enactment of the Kansas promise scholarship program
7 on July 1, 2021.

8 (e) (1) The state board of regents may remove a promise eligible
9 program from the list of approved promise eligible programs only in
10 accordance with this subsection. If the state board of regents proposes to
11 remove a promise eligible program from such list, the state board of
12 regents shall notify all eligible postsecondary educational institutions of
13 the proposal to remove such program by May 1 of the calendar year that
14 precedes the calendar year in which such program would officially be
15 removed from such list. Within 30 calendar days of receipt, each eligible
16 postsecondary educational institution may appeal such proposed removal
17 to the state board of regents. Following such appeal period, within 45
18 calendar days, the state board of regents shall consider any such appeal
19 and issue a final decision upon whether the program shall be removed. If
20 the state board of regents issues a final decision to remove such program,
21 the program shall be removed from the list of approved promise eligible
22 programs only after not less than 14 months have elapsed from the date
23 that the state board of regents issued the final decision to remove such
24 program.

25 (2) The provisions of this subsection shall apply to any program that
26 has been approved by the state board of regents as a promise eligible
27 program on or after July 1, 2021.

28 Sec. 17. K.S.A. 2022 Supp. 74-32,275 is hereby amended to read as
29 follows: 74-32,275. (a) To be eligible for a Kansas promise scholarship, a
30 student shall *meet the following criteria or the criteria set forth in*
31 *subsection (b)*:

32 (1) Be a United States citizen;

33 (2) be a Kansas resident;

34 (3) (A) have graduated from an accredited Kansas public or private
35 secondary school within the preceding 12 months;

36 (B) have completed the requirements for graduation at a non-
37 accredited private secondary school as provided in K.S.A. 72-4345, and
38 amendments thereto, within the preceding 12 months;

39 (C) attended an accredited Kansas public or private secondary school
40 or non-accredited private school as provided in K.S.A. 72-4345, and
41 amendments thereto, and obtained a high school equivalency certificate
42 within the preceding 12 months;

43 (D) upon application for a scholarship, have been a resident of

1 Kansas for three or more consecutive years as evidenced by the date of
 2 issuance on a Kansas-issued identification card or through Kansas voter
 3 registration records or Kansas income tax documentation;

4 (E) be a dependent child of a military servicemember permanently
 5 stationed in another state and who, within the preceding 12 months,
 6 graduated from any out-of-state secondary school or obtained a high
 7 school equivalency certificate; or

8 (F) have been in the custody of the secretary for children and families
 9 at any time such student was enrolled in and attending any of the grades
 10 nine through 12 and not eligible for assistance under the Kansas foster
 11 child educational assistance act, K.S.A. 75-53,111 et seq., and amendments
 12 thereto;

13 (4) complete the required scholarship application on such forms and
 14 in such manner as established by the state board of regents;

15 (5) enter into a Kansas promise scholarship agreement pursuant to
 16 K.S.A. 2022 Supp. 74-32,276, and amendments thereto;

17 (6) complete the free application for federal student aid for the
 18 academic year in which the student applies to receive a Kansas promise
 19 scholarship. Such submitted application shall be determined to be valid
 20 and free of error codes in order to calculate the amount of scholarship to
 21 be awarded; and

22 (7) enroll in an eligible postsecondary educational institution in a
 23 promise eligible program.

24 *(b) Any student who participated in the sunflower teacher-student
 25 mentor program pursuant to section 2 et seq., and amendments thereto,
 26 shall be eligible to receive and shall be prioritized for a Kansas promise
 27 scholarship if the student:*

28 *(1) Is a Kansas resident;*

29 *(2) graduated from an accredited Kansas public secondary school
 30 within the preceding 12 months;*

31 *(3) made a good-faith effort to complete the free application for
 32 federal student aid as evidenced by three or more attempts to complete
 33 and finalize such application with the United States department of
 34 education;*

35 *(4) upon application for a scholarship, has been a resident of Kansas
 36 for three or more consecutive years as evidenced by the date of issuance
 37 on a Kansas-issued identification card or through Kansas voter
 38 registration records or Kansas income tax documentation;*

39 *(5) enters into a Kansas promise scholarship agreement pursuant to
 40 K.S.A. 2022 Supp. 74-32,276, and amendments thereto; and*

41 *(6) enrolls in an eligible postsecondary educational institution in a
 42 promise eligible program.*

43 ~~(b)~~(c) (1) To continue to receive a Kansas promise scholarship, a

1 student shall:

2 (A) Maintain satisfactory academic progress in the courses of the
3 promise eligible program for which the student received a Kansas promise
4 scholarship; and

5 (B) satisfy the requirements of a Kansas promise scholarship
6 agreement as provided in K.S.A. 2022 Supp. 74-32,276, and amendments
7 thereto.

8 (2) Any student who entered into a Kansas promise scholarship
9 agreement under the provisions of the Kansas promise scholarship act as
10 such act existed at the time such agreement was entered into shall be
11 entitled to continue to use such Kansas promise scholarship and receive
12 scholarship renewals to fulfill the requirements of such student's Kansas
13 promise scholarship agreement. No subsequent revision or amendment to
14 the Kansas promise scholarship act, the rules and regulations adopted
15 thereunder, the list of approved promise eligible programs or the
16 appropriations made pursuant to such act shall have the effect of
17 terminating a student's Kansas promise scholarship agreement solely due
18 to such amendment or revision.

19 ~~(e)~~(d) Nothing in this act shall prohibit a student who received
20 postsecondary course credit while enrolled in high school from qualifying
21 for a Kansas promise scholarship.

22 Sec. 18. K.S.A. 2022 Supp. 79-32,117 is hereby amended to read as
23 follows: 79-32,117. (a) The Kansas adjusted gross income of an individual
24 means such individual's federal adjusted gross income for the taxable year,
25 with the modifications specified in this section.

26 (b) There shall be added to federal adjusted gross income:

27 (i) Interest income less any related expenses directly incurred in the
28 purchase of state or political subdivision obligations, to the extent that the
29 same is not included in federal adjusted gross income, on obligations of
30 any state or political subdivision thereof, but to the extent that interest
31 income on obligations of this state or a political subdivision thereof issued
32 prior to January 1, 1988, is specifically exempt from income tax under the
33 laws of this state authorizing the issuance of such obligations, it shall be
34 excluded from computation of Kansas adjusted gross income whether or
35 not included in federal adjusted gross income. Interest income on
36 obligations of this state or a political subdivision thereof issued after
37 December 31, 1987, shall be excluded from computation of Kansas
38 adjusted gross income whether or not included in federal adjusted gross
39 income.

40 (ii) Taxes on or measured by income or fees or payments in lieu of
41 income taxes imposed by this state or any other taxing jurisdiction to the
42 extent deductible in determining federal adjusted gross income and not
43 credited against federal income tax. This paragraph shall not apply to taxes

1 imposed under the provisions of K.S.A. 79-1107 or 79-1108, and
2 amendments thereto, for privilege tax year 1995, and all such years
3 thereafter.

4 (iii) The federal net operating loss deduction, except that the federal
5 net operating loss deduction shall not be added to an individual's federal
6 adjusted gross income for tax years beginning after December 31, 2016.

7 (iv) Federal income tax refunds received by the taxpayer if the
8 deduction of the taxes being refunded resulted in a tax benefit for Kansas
9 income tax purposes during a prior taxable year. Such refunds shall be
10 included in income in the year actually received regardless of the method
11 of accounting used by the taxpayer. For purposes hereof, a tax benefit shall
12 be deemed to have resulted if the amount of the tax had been deducted in
13 determining income subject to a Kansas income tax for a prior year
14 regardless of the rate of taxation applied in such prior year to the Kansas
15 taxable income, but only that portion of the refund shall be included as
16 bears the same proportion to the total refund received as the federal taxes
17 deducted in the year to which such refund is attributable bears to the total
18 federal income taxes paid for such year. For purposes of the foregoing
19 sentence, federal taxes shall be considered to have been deducted only to
20 the extent such deduction does not reduce Kansas taxable income below
21 zero.

22 (v) The amount of any depreciation deduction or business expense
23 deduction claimed on the taxpayer's federal income tax return for any
24 capital expenditure in making any building or facility accessible to the
25 handicapped, for which expenditure the taxpayer claimed the credit
26 allowed by K.S.A. 79-32,177, and amendments thereto.

27 (vi) Any amount of designated employee contributions picked up by
28 an employer pursuant to K.S.A. 12-5005, 20-2603, 74-4919 and 74-4965,
29 and amendments thereto.

30 (vii) The amount of any charitable contribution made to the extent the
31 same is claimed as the basis for the credit allowed pursuant to K.S.A. 79-
32 32,196, and amendments thereto.

33 (viii) The amount of any costs incurred for improvements to a swine
34 facility, claimed for deduction in determining federal adjusted gross
35 income, to the extent the same is claimed as the basis for any credit
36 allowed pursuant to K.S.A. 79-32,204, and amendments thereto.

37 (ix) The amount of any ad valorem taxes and assessments paid and
38 the amount of any costs incurred for habitat management or construction
39 and maintenance of improvements on real property, claimed for deduction
40 in determining federal adjusted gross income, to the extent the same is
41 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,203,
42 and amendments thereto.

43 (x) Amounts received as nonqualified withdrawals, as defined by

1 K.S.A. 75-643, and amendments thereto, if, at the time of contribution to a
2 family postsecondary education savings account, such amounts were
3 subtracted from the federal adjusted gross income pursuant to K.S.A. 79-
4 32,117(c)(xv), and amendments thereto, or if such amounts are not already
5 included in the federal adjusted gross income.

6 (xi) The amount of any contribution made to the same extent the
7 same is claimed as the basis for the credit allowed pursuant to K.S.A. 74-
8 50,154, and amendments thereto.

9 (xii) For taxable years commencing after December 31, 2004,
10 amounts received as withdrawals not in accordance with the provisions of
11 K.S.A. 74-50,204, and amendments thereto, if, at the time of contribution
12 to an individual development account, such amounts were subtracted from
13 the federal adjusted gross income pursuant to subsection (c)(xiii), or if
14 such amounts are not already included in the federal adjusted gross
15 income.

16 (xiii) The amount of any expenditures claimed for deduction in
17 determining federal adjusted gross income, to the extent the same is
18 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,217
19 through 79-32,220 or 79-32,222, and amendments thereto.

20 (xiv) The amount of any amortization deduction claimed in
21 determining federal adjusted gross income to the extent the same is
22 claimed for deduction pursuant to K.S.A. 79-32,221, and amendments
23 thereto.

24 (xv) The amount of any expenditures claimed for deduction in
25 determining federal adjusted gross income, to the extent the same is
26 claimed as the basis for any credit allowed pursuant to K.S.A. 79-32,223
27 through 79-32,226, 79-32,228 through 79-32,231, 79-32,233 through 79-
28 32,236, 79-32,238 through 79-32,241, 79-32,245 through 79-32,248 or 79-
29 32,251 through 79-32,254, and amendments thereto.

30 (xvi) The amount of any amortization deduction claimed in
31 determining federal adjusted gross income to the extent the same is
32 claimed for deduction pursuant to K.S.A. 79-32,227, 79-32,232, 79-
33 32,237, 79-32,249, 79-32,250 or 79-32,255, and amendments thereto.

34 (xvii) The amount of any amortization deduction claimed in
35 determining federal adjusted gross income to the extent the same is
36 claimed for deduction pursuant to K.S.A. 79-32,256, and amendments
37 thereto.

38 (xviii) For taxable years commencing after December 31, 2006, the
39 amount of any ad valorem or property taxes and assessments paid to a state
40 other than Kansas or local government located in a state other than Kansas
41 by a taxpayer who resides in a state other than Kansas, when the law of
42 such state does not allow a resident of Kansas who earns income in such
43 other state to claim a deduction for ad valorem or property taxes or

1 assessments paid to a political subdivision of the state of Kansas in
2 determining taxable income for income tax purposes in such other state, to
3 the extent that such taxes and assessments are claimed as an itemized
4 deduction for federal income tax purposes.

5 (xix) For taxable years beginning after December 31, 2012, and
6 ending before January 1, 2017, the amount of any: (1) Loss from business
7 as determined under the federal internal revenue code and reported from
8 schedule C and on line 12 of the taxpayer's form 1040 federal individual
9 income tax return; (2) loss from rental real estate, royalties, partnerships, S
10 corporations, except those with wholly owned subsidiaries subject to the
11 Kansas privilege tax, estates, trusts, residual interest in real estate
12 mortgage investment conduits and net farm rental as determined under the
13 federal internal revenue code and reported from schedule E and on line 17
14 of the taxpayer's form 1040 federal individual income tax return; and (3)
15 farm loss as determined under the federal internal revenue code and
16 reported from schedule F and on line 18 of the taxpayer's form 1040
17 federal income tax return; all to the extent deducted or subtracted in
18 determining the taxpayer's federal adjusted gross income. For purposes of
19 this subsection, references to the federal form 1040 and federal schedule
20 C, schedule E, and schedule F, shall be to such form and schedules as they
21 existed for tax year 2011, and as revised thereafter by the internal revenue
22 service.

23 (xx) For taxable years beginning after December 31, 2012, and
24 ending before January 1, 2017, the amount of any deduction for self-
25 employment taxes under section 164(f) of the federal internal revenue
26 code as in effect on January 1, 2012, and amendments thereto, in
27 determining the federal adjusted gross income of an individual taxpayer, to
28 the extent the deduction is attributable to income reported on schedule C,
29 E or F and on line 12, 17 or 18 of the taxpayer's form 1040 federal income
30 tax return.

31 (xxi) For taxable years beginning after December 31, 2012, and
32 ending before January 1, 2017, the amount of any deduction for pension,
33 profit sharing, and annuity plans of self-employed individuals under
34 section 62(a)(6) of the federal internal revenue code as in effect on January
35 1, 2012, and amendments thereto, in determining the federal adjusted gross
36 income of an individual taxpayer.

37 (xxii) For taxable years beginning after December 31, 2012, and
38 ending before January 1, 2017, the amount of any deduction for health
39 insurance under section 162(l) of the federal internal revenue code as in
40 effect on January 1, 2012, and amendments thereto, in determining the
41 federal adjusted gross income of an individual taxpayer.

42 (xxiii) For taxable years beginning after December 31, 2012, and
43 ending before January 1, 2017, the amount of any deduction for domestic

1 production activities under section 199 of the federal internal revenue code
2 as in effect on January 1, 2012, and amendments thereto, in determining
3 the federal adjusted gross income of an individual taxpayer.

4 (xxiv) For taxable years commencing after December 31, 2013, that
5 portion of the amount of any expenditure deduction claimed in
6 determining federal adjusted gross income for expenses paid for medical
7 care of the taxpayer or the taxpayer's spouse or dependents when such
8 expenses were paid or incurred for an abortion, or for a health benefit plan,
9 as defined in K.S.A. 65-6731, and amendments thereto, for the purchase of
10 an optional rider for coverage of abortion in accordance with K.S.A. 40-
11 2,190, and amendments thereto, to the extent that such taxes and
12 assessments are claimed as an itemized deduction for federal income tax
13 purposes.

14 (xxv) For taxable years commencing after December 31, 2013, that
15 portion of the amount of any expenditure deduction claimed in
16 determining federal adjusted gross income for expenses paid by a taxpayer
17 for health care when such expenses were paid or incurred for abortion
18 coverage, a health benefit plan, as defined in K.S.A. 65-6731, and
19 amendments thereto, when such expenses were paid or incurred for
20 abortion coverage or amounts contributed to health savings accounts for
21 such taxpayer's employees for the purchase of an optional rider for
22 coverage of abortion in accordance with K.S.A. 40-2,190, and
23 amendments thereto, to the extent that such taxes and assessments are
24 claimed as a deduction for federal income tax purposes.

25 (xxvi) For all taxable years beginning after December 31, 2016, the
26 amount of any charitable contribution made to the extent the same is
27 claimed as the basis for the credit allowed pursuant to K.S.A. 72-4357, and
28 amendments thereto, and is also claimed as an itemized deduction for
29 federal income tax purposes.

30 (xxvii) For all taxable years commencing after December 31, 2020,
31 the amount deducted by reason of a carryforward of disallowed business
32 interest pursuant to section 163(j) of the federal internal revenue code of
33 1986, as in effect on January 1, 2018.

34 (xxviii) For all taxable years beginning after December 31, 2021, the
35 amount of any contributions to, or earnings from, a first-time home buyer
36 savings account if distributions from the account were not used to pay for
37 expenses or transactions authorized pursuant to K.S.A. 2022 Supp. 58-
38 4904, and amendments thereto, or were not held for the minimum length
39 of time required pursuant to K.S.A. 2022 Supp. 58-4904, and amendments
40 thereto. Contributions to, or earnings from, such account shall also include
41 any amount resulting from the account holder not designating a surviving
42 transfer on death beneficiary pursuant to K.S.A. 2022 Supp. 58-4904(e),
43 and amendments thereto.

1 (c) There shall be subtracted from federal adjusted gross income:

2 (i) Interest or dividend income on obligations or securities of any
3 authority, commission or instrumentality of the United States and its
4 possessions less any related expenses directly incurred in the purchase of
5 such obligations or securities, to the extent included in federal adjusted
6 gross income but exempt from state income taxes under the laws of the
7 United States.

8 (ii) Any amounts received which are included in federal adjusted
9 gross income but which are specifically exempt from Kansas income
10 taxation under the laws of the state of Kansas.

11 (iii) The portion of any gain or loss from the sale or other disposition
12 of property having a higher adjusted basis for Kansas income tax purposes
13 than for federal income tax purposes on the date such property was sold or
14 disposed of in a transaction in which gain or loss was recognized for
15 purposes of federal income tax that does not exceed such difference in
16 basis, but if a gain is considered a long-term capital gain for federal
17 income tax purposes, the modification shall be limited to that portion of
18 such gain which is included in federal adjusted gross income.

19 (iv) The amount necessary to prevent the taxation under this act of
20 any annuity or other amount of income or gain which was properly
21 included in income or gain and was taxed under the laws of this state for a
22 taxable year prior to the effective date of this act, as amended, to the
23 taxpayer, or to a decedent by reason of whose death the taxpayer acquired
24 the right to receive the income or gain, or to a trust or estate from which
25 the taxpayer received the income or gain.

26 (v) The amount of any refund or credit for overpayment of taxes on
27 or measured by income or fees or payments in lieu of income taxes
28 imposed by this state, or any taxing jurisdiction, to the extent included in
29 gross income for federal income tax purposes.

30 (vi) Accumulation distributions received by a taxpayer as a
31 beneficiary of a trust to the extent that the same are included in federal
32 adjusted gross income.

33 (vii) Amounts received as annuities under the federal civil service
34 retirement system from the civil service retirement and disability fund and
35 other amounts received as retirement benefits in whatever form which
36 were earned for being employed by the federal government or for service
37 in the armed forces of the United States.

38 (viii) Amounts received by retired railroad employees as a
39 supplemental annuity under the provisions of 45 U.S.C. §§ 228b(a) and
40 228c(a)(1) et seq.

41 (ix) Amounts received by retired employees of a city and by retired
42 employees of any board of such city as retirement allowances pursuant to
43 K.S.A. 13-14,106, and amendments thereto, or pursuant to any charter

1 ordinance exempting a city from the provisions of K.S.A. 13-14,106, and
2 amendments thereto.

3 (x) For taxable years beginning after December 31, 1976, the amount
4 of the federal tentative jobs tax credit disallowance under the provisions of
5 26 U.S.C. § 280C. For taxable years ending after December 31, 1978, the
6 amount of the targeted jobs tax credit and work incentive credit
7 disallowances under 26 U.S.C. § 280C.

8 (xi) For taxable years beginning after December 31, 1986, dividend
9 income on stock issued by Kansas venture capital, inc.

10 (xii) For taxable years beginning after December 31, 1989, amounts
11 received by retired employees of a board of public utilities as pension and
12 retirement benefits pursuant to K.S.A. 13-1246, 13-1246a and 13-1249,
13 and amendments thereto.

14 (xiii) For taxable years beginning after December 31, 2004, amounts
15 contributed to and the amount of income earned on contributions deposited
16 to an individual development account under K.S.A. 74-50,201 et seq., and
17 amendments thereto.

18 (xiv) For all taxable years commencing after December 31, 1996, that
19 portion of any income of a bank organized under the laws of this state or
20 any other state, a national banking association organized under the laws of
21 the United States, an association organized under the savings and loan
22 code of this state or any other state, or a federal savings association
23 organized under the laws of the United States, for which an election as an
24 S corporation under subchapter S of the federal internal revenue code is in
25 effect, which accrues to the taxpayer who is a stockholder of such
26 corporation and which is not distributed to the stockholders as dividends of
27 the corporation. For taxable years beginning after December 31, 2012, and
28 ending before January 1, 2017, the amount of modification under this
29 subsection shall exclude the portion of income or loss reported on schedule
30 E and included on line 17 of the taxpayer's form 1040 federal individual
31 income tax return.

32 (xv) For all taxable years beginning after December 31, 2017, the
33 cumulative amounts not exceeding \$3,000, or \$6,000 for a married couple
34 filing a joint return, for each designated beneficiary that are contributed to:
35 (1) A family postsecondary education savings account established under
36 the Kansas postsecondary education savings program or a qualified tuition
37 program established and maintained by another state or agency or
38 instrumentality thereof pursuant to section 529 of the internal revenue
39 code of 1986, as amended, for the purpose of paying the qualified higher
40 education expenses of a designated beneficiary; or (2) an achieving a
41 better life experience (ABLE) account established under the Kansas ABLE
42 savings program or a qualified ABLE program established and maintained
43 by another state or agency or instrumentality thereof pursuant to section

1 529A of the internal revenue code of 1986, as amended, for the purpose of
2 saving private funds to support an individual with a disability. The terms
3 and phrases used in this paragraph shall have the meaning respectively
4 ascribed thereto by the provisions of K.S.A. 75-643 and 75-652, and
5 amendments thereto, and the provisions of such sections are hereby
6 incorporated by reference for all purposes thereof.

7 (xvi) For all taxable years beginning after December 31, 2004,
8 amounts received by taxpayers who are or were members of the armed
9 forces of the United States, including service in the Kansas army and air
10 national guard, as a recruitment, sign up or retention bonus received by
11 such taxpayer as an incentive to join, enlist or remain in the armed services
12 of the United States, including service in the Kansas army and air national
13 guard, and amounts received for repayment of educational or student loans
14 incurred by or obligated to such taxpayer and received by such taxpayer as
15 a result of such taxpayer's service in the armed forces of the United States,
16 including service in the Kansas army and air national guard.

17 (xvii) For all taxable years beginning after December 31, 2004,
18 amounts received by taxpayers who are eligible members of the Kansas
19 army and air national guard as a reimbursement pursuant to K.S.A. 48-
20 281, and amendments thereto, and amounts received for death benefits
21 pursuant to K.S.A. 48-282, and amendments thereto, to the extent that
22 such death benefits are included in federal adjusted gross income of the
23 taxpayer.

24 (xviii) For the taxable year beginning after December 31, 2006,
25 amounts received as benefits under the federal social security act which
26 are included in federal adjusted gross income of a taxpayer with federal
27 adjusted gross income of \$50,000 or less, whether such taxpayer's filing
28 status is single, head of household, married filing separate or married filing
29 jointly; and for all taxable years beginning after December 31, 2007,
30 amounts received as benefits under the federal social security act which
31 are included in federal adjusted gross income of a taxpayer with federal
32 adjusted gross income of \$75,000 or less, whether such taxpayer's filing
33 status is single, head of household, married filing separate or married filing
34 jointly.

35 (xix) Amounts received by retired employees of Washburn university
36 as retirement and pension benefits under the university's retirement plan.

37 (xx) For taxable years beginning after December 31, 2012, and
38 ending before January 1, 2017, the amount of any: (1) Net profit from
39 business as determined under the federal internal revenue code and
40 reported from schedule C and on line 12 of the taxpayer's form 1040
41 federal individual income tax return; (2) net income, not including
42 guaranteed payments as defined in section 707(c) of the federal internal
43 revenue code and as reported to the taxpayer from federal schedule K-1,

1 (form 1065-B), in box 9, code F or as reported to the taxpayer from federal
2 schedule K-1, (form 1065) in box 4, from rental real estate, royalties,
3 partnerships, S corporations, estates, trusts, residual interest in real estate
4 mortgage investment conduits and net farm rental as determined under the
5 federal internal revenue code and reported from schedule E and on line 17
6 of the taxpayer's form 1040 federal individual income tax return; and (3)
7 net farm profit as determined under the federal internal revenue code and
8 reported from schedule F and on line 18 of the taxpayer's form 1040
9 federal income tax return; all to the extent included in the taxpayer's
10 federal adjusted gross income. For purposes of this subsection, references
11 to the federal form 1040 and federal schedule C, schedule E, and schedule
12 F, shall be to such form and schedules as they existed for tax year 2011
13 and as revised thereafter by the internal revenue service.

14 (xxi) For all taxable years beginning after December 31, 2013,
15 amounts equal to the unreimbursed travel, lodging and medical
16 expenditures directly incurred by a taxpayer while living, or a dependent
17 of the taxpayer while living, for the donation of one or more human organs
18 of the taxpayer, or a dependent of the taxpayer, to another person for
19 human organ transplantation. The expenses may be claimed as a
20 subtraction modification provided for in this section to the extent the
21 expenses are not already subtracted from the taxpayer's federal adjusted
22 gross income. In no circumstances shall the subtraction modification
23 provided for in this section for any individual, or a dependent, exceed
24 \$5,000. As used in this section, "human organ" means all or part of a liver,
25 pancreas, kidney, intestine, lung or bone marrow. The provisions of this
26 paragraph shall take effect on the day the secretary of revenue certifies to
27 the director of the budget that the cost for the department of revenue of
28 modifications to the automated tax system for the purpose of
29 implementing this paragraph will not exceed \$20,000.

30 (xxii) For taxable years beginning after December 31, 2012, and
31 ending before January 1, 2017, the amount of net gain from the sale of: (1)
32 Cattle and horses, regardless of age, held by the taxpayer for draft,
33 breeding, dairy or sporting purposes, and held by such taxpayer for 24
34 months or more from the date of acquisition; and (2) other livestock,
35 regardless of age, held by the taxpayer for draft, breeding, dairy or
36 sporting purposes, and held by such taxpayer for 12 months or more from
37 the date of acquisition. The subtraction from federal adjusted gross income
38 shall be limited to the amount of the additions recognized under the
39 provisions of subsection (b)(xix) attributable to the business in which the
40 livestock sold had been used. As used in this paragraph, the term
41 "livestock" shall not include poultry.

42 (xxiii) For all taxable years beginning after December 31, 2012,
43 amounts received under either the Overland Park, Kansas police

1 department retirement plan or the Overland Park, Kansas fire department
2 retirement plan, both as established by the city of Overland Park, pursuant
3 to the city's home rule authority.

4 (xxiv) For taxable years beginning after December 31, 2013, and
5 ending before January 1, 2017, the net gain from the sale from Christmas
6 trees grown in Kansas and held by the taxpayer for six years or more.

7 (xxv) For all taxable years commencing after December 31, 2020,
8 100% of global intangible low-taxed income under section 951A of the
9 federal internal revenue code of 1986, before any deductions allowed
10 under section 250(a)(1)(B) of such code.

11 (xxvi) For all taxable years commencing after December 31, 2020,
12 the amount disallowed as a deduction pursuant to section 163(j) of the
13 federal internal revenue code of 1986, as in effect on January 1, 2018.

14 (xxvii) For taxable years commencing after December 31, 2020, the
15 amount disallowed as a deduction pursuant to section 274 of the federal
16 internal revenue code of 1986 for meal expenditures shall be allowed to
17 the extent such expense was deductible for determining federal income tax
18 and was allowed and in effect on December 31, 2017.

19 (xxviii) For all taxable years beginning after December 31, 2021: (1)
20 The amount contributed to a first-time home buyer savings account
21 pursuant to K.S.A. 2022 Supp. 58-4903, and amendments thereto, in an
22 amount not to exceed \$3,000 for an individual or \$6,000 for a married
23 couple filing a joint return; or (2) amounts received as income earned from
24 assets in a first-time home buyer savings account.

25 *(xxix) For all taxable years beginning after December 31, 2022,*
26 *amounts deposited in a sunflower teacher-student mentor program*
27 *account established by an agreement between the taxpayer and state*
28 *treasurer pursuant to the sunflower teacher-student mentor program,*
29 *section 2 et seq., and amendments thereto.*

30 (d) There shall be added to or subtracted from federal adjusted gross
31 income the taxpayer's share, as beneficiary of an estate or trust, of the
32 Kansas fiduciary adjustment determined under K.S.A. 79-32,135, and
33 amendments thereto.

34 (e) The amount of modifications required to be made under this
35 section by a partner which relates to items of income, gain, loss, deduction
36 or credit of a partnership shall be determined under K.S.A. 79-32,131, and
37 amendments thereto, to the extent that such items affect federal adjusted
38 gross income of the partner.

39 (f) No taxpayer shall be assessed penalties and interest from the
40 underpayment of taxes due to changes to this section that became law on
41 July 1, 2017, so long as such underpayment is rectified on or before April
42 17, 2018.

43 Sec. 19. K.S.A. 74-32,101 and 74-32,102 and K.S.A. 2022 Supp. 74-

1 32,272, 74-32,275 and 79-32,117 are hereby repealed.

2 Sec. 20. This act shall take effect and be in force from and after its
3 publication in the statute book.