AN ACT concerning Washburn university; relating to determination of operating grant entitlements; amending K.S.A. 2000 Supp. 72-6503 and repealing the existing section; also repealing K.S.A. 2000 Supp. 72-6503a and 72-6505.

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

Section 1. K.S.A. 2000 Supp. 72-6503 is hereby amended to read as follows: 72-6503. (a) In each fiscal year, commencing with fiscal year 2001, the university is entitled to an operating grant from the state general fund in an amount to be determined by the state board. The state board shall:

(1) Determine the average amount of moneys from the state general fund expended per FTE lower division undergraduate student in the preceding fiscal year at the regional state educational institutions;

(2) (A) in the 2001 fiscal year, compute 50% of the amount determined under (1); (B) in the 2002 fiscal year, compute 55% of the amount determined under (1); (C) (B) in the 2003 fiscal year, compute 60% of the amount determined under (1); (D) (C) in the 2004 fiscal year and in each fiscal year thereafter, compute 65% of the amount determined under (1);

(3) multiply the amount computed under (2) by the number of FTE students of the university. The product is the amount of the operating grant the university is entitled to receive for the fiscal year.

(b) In each fiscal year, commencing with the 2003 fiscal year, the university is eligible to receive a quality performance grant from the state general fund. If the state board determines that the university has demonstrated effectiveness in complying with its mission and goals statement and has met or exceeded the core indicators of quality performance identified and approved for the university by the state board, the university shall receive a quality performance grant in an amount which shall be determined by the state board by computing 2% of the amount of the operating grant the university received in the preceding fiscal year. The computed amount is the amount of the quality performance grant the university shall receive for the fiscal year.

(c) (1) For the purposes of this section, the FTE enrollment of the university shall be based on: (A) Enrollment of students who are residents of the state of Kansas; and (B) the greater of FTE enrollment in the second or third fiscal year current fiscal year or FTE enrollment in the preceding fiscal year preceding the fiscal year for which the appropriation for the operating grant is made.

(2) As used in this section, the term regional state educational institutions means Emporia state university, Fort Hays state university and Pittsburg state university and the term lower division undergraduate student means a freshman or sophomore.

(d) Moneys received as state grants from the state general fund shall not be expended for the purpose of expansion of graduate programs or for the purpose of expansion of off-campus programs without the prior approval of the state board.

Sec. 2. K.S.A. 2000 Supp. 72-6503, 72-6503a and 72-6505 are hereby repealed.

SENATE BILL No. 8—page 2

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

I hereby certify that the above $\ensuremath{\mathsf{BILL}}$ originated in the Senate, and passed that body

	President of the Senate.
	Secretary of the Senate.
	Secretary of the Schute.
Passed the HOUSE	
	Speaker of the House.
	Chief Clerk of the House.
Approved	
	Governor.