SENATE BILL No. 404

By Committee on Ways and Means

1-20

9 AN ACT concerning education; establishing the early high school grad-10 uation scholarship program; amending K.S.A. 2009 Supp. 72-6438 and 11 repealing the existing section.

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

New Section 1. This act shall be known and may be cited as the early high school graduation scholarship program act.

New Sec. 2. As used in the early high school graduation scholarship program act:

- (a) "State board" means the state board of education.
- (b) "Pupil" or "student" means a pupil who: (1) Graduates from a Kansas public high school at least one year earlier than the usual graduation time; (2) meets the minimum grade point average requirement established by the state board; and (3) has received counseling as required by section 3, and amendments thereto.
- (c) "Early high school graduation scholarship program" or "program" means the program established by the state board pursuant to section 3, and amendments thereto.
- (d) "Institution" means a postsecondary educational institution or a private postsecondary educational institution located within the state of Kansas.
- (e) "Postsecondary educational institution" and "private postsecondary educational institution" have the meanings ascribed thereto in K.S.A. 74-3201b, and amendments thereto.

New Sec. 3. (a) The state board shall establish an early high school graduation scholarship program. Scholarships awarded under the program shall not exceed \$1,000 per semester or its equivalent. Scholarships may be used to pay the cost of fees and tuition for attendance at an institution. If a student is not enrolled on a full-time basis at an institution, the student shall receive a proportionate amount of the scholarship allowed under this subsection based upon the number of hours enrolled in an academic period, and computed as a fraction of the total number of credit hours required for full-time enrollment. A student may be awarded a scholarship for not more than four semesters or the equivalent thereof for students not enrolled on a full-time basis.

- (b) The state board may adopt rules and regulations deemed necessary to implement the program including, but not limited to:
 - (1) Eligibility requirements of applicants for scholarship.
- (2) Procedures relating to the submission of applications and supporting documentation.
 - (3) The amount of a scholarship awarded under the program.
- (4) Procedures relating to the payment of the scholarship to the institution.
 - (5) The operation of the program.
- (c) A pupil shall not be eligible for a scholarship unless the pupil has received counseling on the advantages and disadvantages of graduating early from high school. Such counseling shall be provided by the student's high school counselor or by a counselor meeting requirements established by the state board.
- (d) An applicant for a scholarship shall provide to the state board, on forms supplied by the state board, information required by the state board.
- (e) As a condition to awarding a scholarship under the program, the state board and the applicant shall enter into an agreement which shall require the applicant to:
 - (1) Enroll in an institution; and
- (2) maintain records and make reports to the state board as required by the agreement.
- (f) Within the limitations of appropriations therefor, the number of scholarships awarded and the amount awarded to each applicant shall be determined by the state board. The amount awarded shall be specified in the agreement.
- New Sec. 4. (a) There is hereby established in the state treasury the early high school graduation scholarship fund. The fund shall consist of all amounts transferred or credited thereto.
- (b) On or before June 1 of each school year, the state board shall certify to the director of accounts and reports the number of pupils who have graduated from a Kansas public high school at least one year earlier than the usual graduation time during the current school year. On July 1 of each year or as soon thereafter as funds are available, the director of accounts and reports shall transfer from the state school district finance fund to the early high school graduation scholarship fund an amount equal to \$4,000 for each pupil certified by the state board as having graduated from a Kansas public high school at least one year earlier than the usual graduation time during the current school year. All transfers made in accordance with the provisions of this subsection shall be considered to be demand transfers from the state general fund.
 - (c) (1) Except as provided by paragraph (2), moneys in the early high

school graduation scholarship fund shall be used solely for the purpose of paying scholarships awarded under the early high school graduation scholarship program act.

- (2) Any moneys remaining in the early high school graduation scholarship fund after the payment of scholarships shall be transferred to the state school district finance fund and shall be used to increase the amount of base state aid per pupil. Such moneys shall be in addition to moneys appropriated for general state aid and shall not be used to supplant moneys appropriated for general state aid.
- New Sec. 5. If a student does not use all scholarship funds available to such student under this act within four years of graduating from high school, or within eight years if such student is attending an institution on a part-time basis, the balance of such funds shall be transferred to the state school district finance find as provided by section 4, and amendments thereto.

New Sec. 6. (a) Each school year the state board shall:

- (1) Determine the total amount of general state aid that all districts would have received for all students who graduated from public high schools at least one year earlier than the usual graduation time if those students had remained enrolled in the school district during the current school year;
- (2) multiply \$4,000 by the number of students certified to the director of accounts and reports pursuant to section 4, and amendments thereto;
- (3) subtract the product obtained under (2) from the amount determined under (1); and
- (4) transfer the difference obtained under (3) to the state school district finance fund.
- (b) Any moneys transferred to the state school district finance fund pursuant to this section shall be used to increase the amount of base state aid per pupil. Such moneys shall be in addition to moneys appropriated for general state aid and shall not be used to supplant moneys appropriated for general state aid.
- Sec. 7. K.S.A. 2009 Supp. 72-6438 is hereby amended to read as follows: 72-6438. (a) The state school district finance fund, established by K.S.A. 1991 Supp. 72-7081 prior to its repeal by the school district finance and quality performance act, is hereby continued in existence and shall consist of (1) all moneys credited to such fund under K.S.A. 72-6418, 72-6431, 72-6441 and K.S.A. 2009 Supp. 72-6449 and 72-6451, and amendments thereto, and (2) all amounts transferred to such fund.
- (b) The state school district finance fund shall be used for the purpose of school district finance and for transfers to the early high school graduation scholarship fund as required by section 4, and amendments

- thereto, and for no other governmental purpose. It is the intent of the legislature that the fund shall remain intact and inviolate for such purpose purposes, and moneys in the fund shall not be subject to the provisions of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.
- 5 (c) Amounts in the state school district finance fund shall be allocated 6 and distributed to school districts as a portion of general state aid enti7 tlements provided for under this act.
- 8 Sec. 8. K.S.A. 2009 Supp. 72-6438 is hereby repealed.
- 9 Sec. 9. This act shall take effect and be in force from and after its publication in the statute book.