

HOUSE BILL No. 2101

AN ACT concerning the university engineering initiative act; relating to goals; authorizing transfers from the expanded lottery act revenues fund for certain fiscal years; requiring certain reports to the legislature from state educational institutions, the board of regents and the secretary of commerce; amending K.S.A. 74-8768, 76-7,137 and 76-7,139 and repealing the existing sections.

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

Section 1. K.S.A. 74-8768 is hereby amended to read as follows: 74-8768. (a) There is hereby created the expanded lottery act revenues fund in the state treasury. All expenditures and transfers from such fund shall be made in accordance with appropriation acts. All moneys credited to such fund shall be expended or transferred only for the purposes of reduction of state debt, state infrastructure improvements, the university engineering initiative act, reduction of local ad valorem tax in the same manner as provided for allocation of amounts in the local ad valorem tax reduction fund and reduction of the unfunded actuarial liability of the system attributable to the state of Kansas and participating employers under K.S.A. 74-4931, and amendments thereto, by the Kansas public employees retirement system.

(b) ~~On July 1, 2012, July 1, 2013, July 1, 2014, July 1, 2015, July 1, 2016, July 1, 2017, July 1, 2018, July 1, 2019, July 1, 2020, and July 1, 2021, July 1, 2022, July 1, 2023, July 1, 2024, July 1, 2025, July 1, 2026, July 1, 2027, July 1, 2028, July 1, 2029, July 1, 2030, and July 1, 2031,~~ or as soon thereafter such date as moneys are available, the first \$10,500,000 credited to the expanded lottery act revenues fund shall be transferred by the director of accounts and reports from the expanded lottery act revenues fund in one or more substantially equal amounts, to each of the following: The Kan-grow engineering fund – KU, Kan-grow engineering fund – KSU and Kan-grow engineering fund – WSU. Each such special revenue fund shall receive \$3,500,000 annually in each of such years. Commencing in fiscal year 2014, after such transfer has been made, 50% of the remaining moneys credited to the fund shall be transferred on a quarterly basis by the director of accounts and reports from the fund to the Kansas public employees retirement system fund to be applied to reduce the unfunded actuarial liability of the system attributable to the state of Kansas and participating employers under K.S.A. 74-4931 et seq., and amendments thereto, until the system as a whole attains an 80% funding ratio as certified by the board of trustees of the Kansas public employees retirement system.

Sec. 2. K.S.A. 76-7,137 is hereby amended to read as follows: 76-7,137. (a) The legislature of the state of Kansas hereby finds and declares that:

(1) Engineering intensive industries represent approximately one-third of the statewide payroll and tax base;

(2) under the university engineering initiative act, the secretary of commerce, in consultation with the board of regents, state educational institutions and private industry, shall develop a plan to ensure engineering industry partners find the new talent, designs and techniques needed to fuel economic growth and business success in Kansas;

(3) the goal of the university engineering initiative act is to increase the number of engineering graduates to 1,365 graduates per year in 2021; and *continue to generate this same number of graduates to meet the ongoing needs of the engineering workforce for as long as the university engineering initiative act is financed with annual transfers from the expanded lottery act revenues fund.* All moneys appropriated pursuant to this act shall be used to meet this goal; and

(4) the needs of the citizens of the state of Kansas will be best served if the secretary of commerce, the board of regents and the state educational institutions under the control and supervision of the board of regents are granted specific authority to assist in the expansion of the engineering programs.

(b) The exercise of the powers authorized by this act are deemed an essential governmental function in matters of public necessity for the entire state to increase the number of engineering graduates.

Sec. 3. K.S.A. 76-7,139 is hereby amended to read as follows: 76-7,139. (a) The secretary, the board of regents and the state educational institutions shall have all the powers necessary or convenient to carry out the purposes and provisions of this act.

(b) When reviewing plans of each state educational institution and making decisions regarding expenditures from the Kan-grow engineering fund – KU, Kan-grow engineering fund – KSU and Kan-grow engineering fund – WSU, the secretary, in consultation with the board of regents, shall consider the different needs of each state educational institution to expand such institution's program to increase the number of engineering graduates.

(c) On or before the first day of the 2017 regular session, the secretary shall conduct a review of each state educational institution's plan to meet the goals established in the university engineering initiative act. The report shall include an analysis of whether or not the institutions are on course to meet the goals established in this act.

(d) *On or before January 10, 2022, and annually thereafter, each state educational institution, the board of regents and the secretary shall report to the committee on appropriations of the house of representatives and the committee on ways and means of the senate on how many engineering graduates remain in the state over the previous three years. Such report shall provide detail concerning all efforts to increase retention of graduates and opportunities for graduates in the state and shall include information regarding the number of engineering graduates from each state educational institution that were initially enrolled as in-state or out-of-state students.*

Sec. 4. K.S.A. 74-8768, 76-7,137 and 76-7,139 are hereby repealed.

Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE

President of the Senate.

Secretary of the Senate.

APPROVED

Governor.