

**MINUTES FOR FEBRUARY 9, 2015**  
**BOARD OF CHEROKEE COUNTY COMMISSIONERS**  
**CHEROKEE COUNTY, KANSAS**

**CONVENE**

Commissioner Hilderbrand called the regular session of the Cherokee County Board of Commissioners (The Board) to order and led all in attendance in the Pledge of Allegiance at 9:00 AM on Monday, February 9, 2015 in the Commission Room, #109 of the Cherokee County Courthouse located at 110 W Maple St., Columbus, Kansas. Commissioners Richard Hilderbrand, Charles Napier, Pat Collins, and County Clerk Rodney Edmondson were present.

Members of the press present: Larry Hiatt, Machel Smith, Jordan Zabel

A motion was made by Commissioner Collins to approve the Minutes of the BOCC Meeting for February 2, 2015. The motion was seconded by Commissioner Napier. The motion carried 3-0.

A motion was made by Commissioner Collins to approve the Mid-Month Accounts Payables for February, 2015. The motion was seconded by Commissioner Napier. The motion carried 3-0.

**Leonard Vanatta - County Road Supervisor**  
**Gene Langerot - County Lot Supervisor**

They appeared before the Board on routine county road business.

Gene reported that the dump trucks have been delivered and are being readied for service.

A motion was made by Commissioner Hilderbrand to amend the agenda for Jim Burton from 10:00 AM to 9:52 AM. The motion was seconded by Commissioner Napier. The motion carried 3-0.

**Jim Burton - City of Columbus**

He appeared before the Board, along with Wayne Elliot from the County Mapping and Addressing Department, to request the county's assistance in making street signs. The city is willing to provide all of the materials needed, and Wayne would do the setup and printing only. Wayne stated that it would take him about five minutes to make a sign. All parties agreed that a charge of \$3.50 per sign would be acceptable. Commissioner Collins stated that he would like to see a long range plan of having all of the cities and the county to discuss having one sign facility for everyone.

**Doug Mogle, Ron Costlow, Mike King - Cherokee County Ambulance**

They appeared before the Board to bring an update on the service and to discuss future revenue shortfalls. They stated that there may be significant changes needed in the next 6-12 months. Neither service is county owned, both districts have 501(c)(3) status but receive a county subsidy. They stated that there was an agreement last year to provide the Columbus/Galena district with additional monies, but they never received anything. Note: That agreement was located in the Minutes of the December 9, 2013 meeting, and will be added to the February 2015 subsidy.

24

**Sheriff David Groves, Jim Hanni - AAA Kansas Award**

Jim Hanni of AAA Kansas appeared before the Board to present Sheriff Groves and the Cherokee County Sheriff's Department with the 2014 AAA Kansas Community Traffic Safety Award. This is the fourth year in a row that Cherokee County has won an award. The awards are given to communities that demonstrate an effort to address local traffic safety concerns. Cherokee County is awarded the platinum level award for the second straight year. Only five departments in the State of Kansas received the platinum award, the highest rating that can be achieved.

**David Cooper - Legal Counsel**

A motion was by Commissioner Collins to enter an Executive Session with the Board, Mr. Coleman, Mr. Cooper, and Clerk Rodney Edmondson, for a period of 30 minutes for the purpose of Attorney/Client Privilege. The motion was seconded by Commissioner Napier. The motion carried 3-0 at 11:02 AM.

The meeting reconvened at 11:32 AM.

No action was taken during the Executive Session.

A motion was made by Commissioner Hilderbrand to pass Resolution 03-2015 supporting the Kansas Attorney General in fighting the proposed casino by the Quapaw Tribe on Trust Land. The motion was seconded by Commissioner Collins. The motion carried 3-0.

A motion was made by Commissioner Hilderbrand to enter an agreement with the law firm of Fisher, Patterson, Sayler, & Smith to represent Cherokee County in the above matter. The motion was seconded by Commissioner Collins. The motion carried 3-0.

**Nathan Coleman - County Counselor**

He appeared before the Board regarding legal matters concerning Cherokee County.

He presented a resolution authorizing the participation in the student loan repayment program as part of the Rural Opportunity Zone Act for the Board to consider.

A motion was made by Commissioner Hilderbrand to pass Resolution 04-2015 authorizing the participation in the Student Loan Repayment Program as part of the Rural Opportunity Zone Act, and to fund the program in the amount of \$6,000 for 2015. The motion was seconded by Commissioner Napier. The motion carried 3-0.

Commissioner Hilderbrand made a motion to adjourn until the next regularly scheduled meeting set for February 23, 2015 at 9:00 AM. The motion was seconded by Commissioner Napier. The motion carried 3-0 with all voting yes at 11:53 AM.

The Board will not meet the week of February 16, 2015 due to the Presidents' Day Holiday.

RH

**ATTEST: Resolved and ordered this 23<sup>rd</sup> day of February, 2015**

  
**Cherokee County Clerk**

  
**Commissioner**

  
**Commissioner**

  
**Commissioner**

# Cherokee County Ambulance I & II

2-9-15

- We respond two ambulances 24 hours a day from Columbus and Galena. We also have a transfer truck which serves as a fourth ambulance in the county on weekdays.

Our current trucks are

|            |         |
|------------|---------|
| 2012 Chevy | 62,024  |
| 2012 Chevy | 41,119  |
| 2013 Chevy | 21,541  |
| 2006 Ford  | 116,059 |
| 1998 Ford  | 175,000 |

- Since January 2013 we have purchased 3 ambulances with a total cost of \$435,000. Our service paid \$262,000 of this with the balance from a grant. We had to borrow \$91,000 in January of 2013. We still owe \$49,624 on our last ambulance.
- To stay in good shape we need to replace an ambulance in 2016.
- Our goal in January of 2013 **was** to have this paid off and a substantial part, if not all, of the funding to replace an additional truck in early 2016. This will not happen on our current path.
- Overall, including the wage and hour adjustments, our employees have received less than a total 3% pay increase since 2007. We now have a 401k plan(3% match) for all employees and health insurance available for full-time.
- We are receiving slightly less county subsidy tax dollars now than we received in 2010. In 2009, 47% of our income was county subsidy. For 2014 the county subsidy accounted for 42% of our income.
- We have worked hard to maximize our operating income and limit expenses. Our income has remained stagnant and our expenses has risen. (The lower fuel price offset an 18% increase in health insurance for 2015.) Increasing our billed charges have little effect on increasing our income because Medicare and Medicaid are the majority of our transports, they have set payment rates.

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|                              | 2015                   | 2014     | 2013    | 2012    | 2011    | 2010    | 2009    |
|------------------------------|------------------------|----------|---------|---------|---------|---------|---------|
| Revenue \$                   | 534,754 <sup>est</sup> | 524,784* | 514,704 | 501,390 | 433,772 | 423,858 | 430,897 |
| Subsidy \$                   | 381,056                | 381,056  | 381,385 | 381,385 | 384,384 | 384,383 | 381,885 |
| Income \$                    | 915,810                | 905,840  | 886,089 | 882,725 | 818,156 | 808,241 | 812,782 |
| Needed \$                    | 975,470                |          |         |         |         |         |         |
| Revenue has increased        |                        | 21.8%    |         |         |         |         |         |
| Subsidy has increased        |                        | 0%       |         |         |         |         |         |
| Overall income has increased |                        | 11.5%    |         |         |         |         |         |

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It averages \$79 an hour to operate. To balance we have to reduce our overhead \$7 an hour or increase our income.

We are reviewing our options.

**RESOLUTION NUMBER 2015- 3**  
**CHEROKEE COUNTY**

**WHEREAS**, On February 6, 2012, the Office of Chief Counsel of the State of Kansas received notice from the United States Department of the Interior Bureau of Indian Affairs, Miami Agency (“Bureau”) of the (non-gaming) land acquisition application of the Quapaw Tribe of Indians, Oklahoma;

**WHEREAS**, the fee-to-trust acquisition request the Tribe submitted to the Bureau was for approximately 123.79 acres located in Cherokee County, Kansas consisting of Lot 8 in Section 12 and Lots 4, 5, and 6 in Section 13, Township 35 South, Range 25 East of the Sixth Principal Meridian, Cherokee County, Kansas, according to the 2010 BLM re-survey;

**WHEREAS**, Section 12 was used primarily for agricultural use and a parking lot existed on Section 13 of the subject land;

**WHEREAS**, On March 5, 2012, Mr. Stephen Phillips, Assistant Attorney General, State of Kansas, Office of the Attorney General, objected to the acquisition primarily based on the concern the property would be used for expanded gaming operations;

**WHEREAS**, On March 7, 2012, Mr. Kevin Cure, Attorney at Law, on behalf of the Board of County Commissioners of Cherokee County, Kansas, concurred with the State’s objections;

**WHEREAS**, the Tribe’s application stated there was to be no change in land use for the subject property (i.e., the use of the subject land was and would continue to be non-gaming);

**WHEREAS**, On April 16, 2012, Mr. Cure withdrew the prior letter of opposition;

**WHEREAS**, the withdrawal of opposition was based entirely upon the representation and assurance that the subject land was not and would never in the future be used for gaming; and rescinded the Commissioners’ opposition;

**WHEREAS**, On June 8, 2012, the Bureau approved the Tribe’s acquisition of the property in trust because, among other reasons, the property was to be used for a purpose not in conflict with existing land use;

**WHEREAS**, the Commissioners’ withdrawal of objection to the acquisition was based solely and explicitly on assurances the land would not be used for gaming purposes;

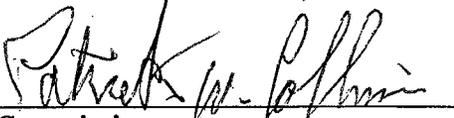
**WHEREAS**, the Tribe sought a legal opinion from the National Indian Gaming Commission (“NIGC”) regarding whether Section 13 qualified for gaming under the Indian Gaming Regulatory Act (“IGRA”), 25 U.S.C. § 2719(a)(2)(B); and,

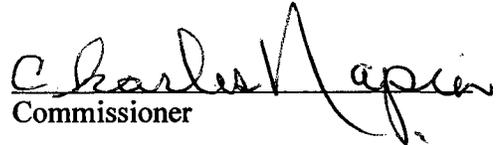
**WHEREAS**, on November 21, 2014, the NIGC opined that Section 13 is eligible for gaming under the last recognized reservation exception of the IGRA.

**NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF CHEROKEE COUNTY THAT:**

1. The governing body disagrees with the NGIC opinion that any portion of the land in Cherokee County, Kansas is eligible for gaming under IGRA;
2. The governing body requests the Attorney General of the State of Kansas take action opposing any effort of the Tribe to pursue gaming in Cherokee County, Kansas.

**ADOPTED BY THE GOVERNING BODY OF CHEROKEE COUNTY, KANSAS  
FEBRUARY 9, 2015.**

  
Commissioner

  
Commissioner

ATTEST:

  
County Clerk

  
Commissioner

**RESOLUTION NO. 4 - 2015**  
**A RESOLUTION AUTHORIZING PARTICIPATION IN STUDENT LOAN**  
**REPAYMENT PROGRAM**

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF CHEROKEE COUNTY, KANSAS:

WHEREAS, the County in the form of its duly elected governing body has the authority under K.S.A. § 19-101 to determine its local affairs and government, and;

WHEREAS, the County in the form of its duly elected governing body has the authority under K.S.A. § 19-212 to exercise control over the County's financial matters, and;

WHEREAS, pursuant to 2011 Senate Bill No. 198 and amendments thereto of the State of Kansas, the Board of County Commissioners is authorized to provide by resolution its intention to participate in the Rural Opportunity Zone student loan repayment program.

WHEREAS, Cherokee County has been designated a Rural Opportunity pursuant to Section 1 of 2011 Senate Bill No. 198 and amendments thereto.

NOW, THEREFORE, the Board of County Commissioners of Cherokee County, Kansas, meeting in regular session, this 9<sup>th</sup> day of February, 2015, does hereby resolve as follows:

1. Cherokee County Commissioners hereby obligate Cherokee County to participate in the student loan repayment program as provided by section 3 of 2011 Senate Bill No. 198 and amendments thereto for a period of five (5) years, which shall be irrevocable.

2. Cherokee County agrees to pay in equal shares with the State of Kansas the outstanding student loan balance of any resident who qualifies under the terms of qualification provided by the State of Kansas in 2011 Senate Bill No. 198 and amendments thereto and the appropriate rules and regulations. The number of qualified resident individuals receiving such payments will be subject to the availability of funds.

3. The maximum student loan balance for each qualified resident individual to be repaid jointly by Cherokee County and the State of Kansas shall be \$15,000 over a term of five (5) years.

4. Cherokee County shall allocate \$ 6,000 for the purpose of matching payments from the State of Kansas to qualified resident individuals. Cherokee County shall revise budget on an annual basis and inform the State of Kansas of any changes to the annual allocation.

5. This resolution shall take effect and be in full force from and after its passage and publication once in the official county newspaper.

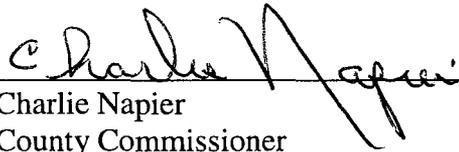
Adopted this 9<sup>th</sup> day of February, 2015, by the BOARD OF COMMISSIONERS  
OF CHEROKEE COUNTY, KANSAS.



Patrick W. Collins  
County Commissioner



Richard J. Hilderbrand  
County Commissioner



Charlie Napier  
County Commissioner

ATTEST:



Rodney Edmondson  
County Clerk of Cherokee County, Kansas  
Resolution No. 04 - 2015

Prepared by:  
Nathan R. Coleman, County Attorney



**KANSAS DEPARTMENT OF COMMERCE  
ECONOMIC IMPACT STATEMENT  
FOR  
PERMANENT AND TEMPORARY REGULATIONS**

**I. Summary of Proposed Regulations, Including Purpose.** The Kansas Department of Commerce (Commerce) is proposing new regulations K.A.R. 110-22-1 through 110-22-6 for the administration of the Rural Opportunity Zone Act, 2011 SB 198.

The Rural Opportunity Zone Act is being promulgated for the necessary administration of the act. The Rural Opportunity Zone Act was enacted to encourage population and economic growth in counties that have been losing population. First, out-of-state residents who permanently move to counties designated as Rural Opportunity Zone counties may be eligible, for a period of five years, to receive a full tax credit against their State of Kansas income tax liability. Individuals must meet certain program requirements to be eligible to participate in the tax credit program.

Second, rural opportunity zone counties may, through resolution, participate in the Student Loan Repayment program. To participate in the student loan repayment program, counties must adopt resolutions prior to January 1, 2012, obligating the counties to pay a portion of eligible participants' student loan payments for a period of five years. If a county opts into the student loan repayment program, the State of Kansas will match the student loan repayments made by the individual counties. As authorized by the Act, if the maximum repayment amount of \$15,000 were to be adopted by each participating county, the state and the participating county would each repay \$7,500 in equal increments over a five-year period, or \$1,500 per year per governmental entity.

The proposed regulations provide procedures to administer the act. The regulations provide an application process and a procedure to notify participating counties that the applicant has submitted an application for either or both the tax credit program or the student loan repayment program. A review process and appeal procedures are provided by the regulations. If the county decides to opt in the student loan repayment program, the requirements for the county resolution are provided and a procedure for disbursement of funds to pay the lending institutions is provided in these regulations.

**K.A.R. 110-22-1. Definitions used to administer the Rural Opportunity Zone Act.**

**K.A.R. 110-22-2. Application for tax credit program and student loan repayment program.** This regulation provides additional requirements that each applicant must submit to the secretary to determine eligibility.

**K.A.R. 110-22-3. Determination of Eligibility.** Provides the process for final eligibility determination.

**K.A.R. 110-22-4. Appeal Process.** This regulation provides a procedure to allow reconsideration, preliminary determination, and final eligibility determination. It provides that

decisions on reconsiderations shall be final agency action and subject to review under the Kansas Judicial Review Act (KJRA).

**K.A.R. 110-22-5. Resolution by county; intent to participate in student loan repayment program.**

**K.A.R. 110-22-6. Repayment of outstanding student loan balance.** Sets forth the procedure Commerce will follow in administering the payment to lending institutions.

**II. Federal Requirements.** The Rural Opportunity Zone Act does not have any federal requirements.

**III. Anticipated Economic Impact Financial Impact Upon Governmental Entities, Private Businesses or Individuals and the Kansas Department of Commerce.** Commerce has estimated that the student loan repayment program will increase and encourage rural county growth based upon the following factors:

- 10 Eligible Individuals are enrolled by each of the 50 Rural Opportunity Zone counties;
- Each Eligible Individual has an outstanding student loan balance of \$15,000;
- The state will, as a result of the enrolled persons and respective loan balances, pay \$750,000 annually to match the county student loan payments; and
- The median wage for the 50 ROZ counties is \$14.94 per hour. (*Median wage determined via Kansas Department of Labor 2010 Kansas Wage Survey*)

Based upon these factors, 500 jobs will be generated by new residents during the five year period. Payroll generated by new residents during the five year period will be \$15,537,600. The direct economic impact to the State of Kansas during this five year period of earnings, using a 1.45 multiplier (2005 RIMS Data), would be \$22,529,520 in earnings for the 50 counties. The indirect job growth would be 340 additional jobs using the 1.68 multiplier (2005 RIMS Data). The present value of economic activity generated by the new residents is \$15,399,948. The present value is calculated with a 7% discount rate.

For the economic impact of the tax credit program to the state, county and individuals, please refer to the Fiscal Note for SB 198 by the Senate Committee on Assessment and Taxation.

The long-term economic impact would be positive to local governments and businesses across the State. Since the programs are designed to promote job growth and job retention, a broader business climate would be created in Kansas.

**VI. Less Costly or Intrusive Methods That Were Considered, but Rejected, and the Reason for Rejection.** Commerce did not consider any alternatives.

## **Article 22. Student Loan Repayment Program and Tax Credit Program**

**110-22-1. Definitions.** As used in these regulations and for purposes of administering the act, the following terms shall have the meanings specified in this regulation: (a) “Act” means the rural opportunity zone act, 2011 SB 198 and amendments thereto.

(b) “County” means a county listed as a “rural opportunity zone” in 2011 SB 198, sec. 1(b), and amendments thereto.

(c) “Department” means the Kansas department of commerce.

(d) “Domicile” means the physical location where an individual intends to permanently reside. The following factors may be considered in determining whether or not an individual meets the eligibility requirements of the act, although none of these factors by itself shall be a determinant of domicile:

- (1) Acceptance or an offer of permanent employment;
  - (2) admission to a licensed practicing profession in Kansas;
  - (3) registration of a vehicle in a county designated by the act;
  - (4) the location at which the individual votes or is registered to vote;
  - (5) a Kansas driver’s license; and
  - (6) lease of living quarters or ownership of a home in a county designated by the act.
- (e) “Eligible participant” means an individual who has met all eligibility

requirements of the act.

(f) “Participating county” means a county, as defined in this regulation, that has enacted a resolution to participate in the student loan repayment program as specified in 2011 SB 198, sec. 3, and amendments thereto.

(g) “Student loan repayment program” means the program specified in 2011 SB 198, sec. 3, and amendments thereto.

(h) “Tax credit program” means the program specified in 2011 SB 198, sec. 2, and amendments thereto. (Authorized by 2011 SB 198, sec. 3 and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, secs. 1, 2, and 3; effective, T-\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

**110-22-2. Application for tax credit program and student loan repayment program.**

(a) Each applicant shall submit the application and any supporting documentation to the secretary to determine eligibility for the tax credit program or the student loan repayment program, or both.

(b) Each application shall contain the following for each applicant:

(1) Name;

(2) telephone and electronic mail address;

(3) current address and, if different, intended address;

(4) social security number;

(5) county of current residence or future intended domicile;

(6) if applicable, Kansas state income tax returns for the five years immediately preceding the date of application;

(7) list of all addresses where the applicant has resided during the five years immediately preceding the date of application;

(8) list of previous employers' names and addresses for the five years immediately preceding the date of application;

(9) prospective employer's name, address, and county;

(10) if applicable, proof of degree earned;

(11) anticipated date for moving to the county;

(12) a short description of why the individual intends to move to the county;

(13) if applicable, proof of a Kansas professional license;

(14) if applicable, the balance of each student loan on the date of submission of the application and the name and address of each loan institution; and

(15) any other relevant information that the secretary deems necessary.

(c) Notification that the applicant has applied for the tax credit program or student loan repayment program, or both, shall be electronically forwarded by the department to the county designated in that application.

(d) The county may, within 15 days of the department's electronic notification, provide any supplementary information regarding the applicant to the department for consideration. (Authorized by 2011 SB 198, sec. 3 and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, secs. 2 and 3; effective, T-\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

**110-22-3. Determination of eligibility.** (a) A preliminary determination of whether each applicant is eligible to participate in either the tax credit program or the student loan repayment program, or both, shall be made by the secretary.

(b) For each preliminary determination of eligibility, the following shall be notified by the department:

(1) For the tax credit program, the Kansas department of revenue, the county, and the applicant; and

(2) for the student loan repayment program, the applicant and the county.

(c) If the applicant is initially approved as eligible for either or both programs, the applicant and the county shall be provided by the secretary with a preliminary determination setting forth the conditions for final program eligibility.

(d) Final program eligibility shall be conditioned upon applicant's submission of all requested documentation to the department, including the following:

(1) Student loan documents;

(2) transcript for an associate, bachelor's, or postgraduate degree; and

(3) proof of having established domicile in the participating county.

(e) If the applicant meets the requirements for preliminary determination, a determination of final eligibility for the resident individual to participate in either the student loan repayment program or the tax credit program, or both, shall be issued by the secretary.

(f) Any applicant or county may appeal a preliminary or final determination of eligibility by the secretary as specified in these regulations. (Authorized by 2011 SB 198, sec. 3

and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, secs. 2 and 3; effective, T-

\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

**110-22-4. Appeal process.** (a) If an application for preliminary determination is not approved or if final eligibility determination is denied, each reason for the denial shall be provided in writing to the applicant by the secretary. The applicant may ask for reconsideration of either the preliminary determination or final eligibility determination within 30 calendar days after the date of the decision. If the applicant does not ask for reconsideration within 30 calendar days of the date of the decision, the decision shall become a final agency action. The county shall be notified of any application denied by the secretary.

(b) The county may ask for reconsideration of the decision of the secretary within 30 calendar days after the date of either the preliminary determination or final eligibility determination. If the county does not ask for reconsideration within 30 calendar days of the date of the secretary's decision, the decision shall become a final agency action.

(c) Each decision on reconsideration shall be the final agency action and shall be subject to review under the Kansas judicial review act, K.S.A. 77-601 et seq. and amendments thereto. (Authorized by 2011 SB 198, sec. 3 and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, secs. 2 and 3; effective, T-\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

**110-22-5. Resolution by county; intent to participate in student loan repayment program.** (a) As required by the act, each county intending to participate in the student loan repayment program shall provide the department with a copy of the county resolution. The county resolution shall contain the following statements:

(1) The county is listed as a rural opportunity zone, as defined by 2011 SB 198, sec. 1 and amendments thereto.

(2) The county is obligated to participate in the student loan repayment program for an enrollment period of five years.

(3) The county obligation to each eligible participant is for a repayment period of five years.

(4) The county agrees to pay, with the state of Kansas, equal shares of the outstanding student loan balance of any eligible participant.

(5) The student loan balance for each eligible participant, in an amount not to exceed \$15,000, will be repaid jointly by the county and the state of Kansas for a period of five years.

(6) The county will allocate monies for the purpose of matching payments from the state of Kansas to eligible participants.

(7) The county will revise its student loan repayment budget on an annual basis and inform the department of any changes to the annual allocation.

(b) Each resolution shall be published once in the official county newspaper and shall be in effect from the date of its publication. (Authorized by 2011 SB 198, sec. 3 and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, sec. 3; effective, T-\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

**110-22-6. Repayment of outstanding student loan balance.** (a) Each participating county shall transmit funds to the department for repayment of the student loan within 30 calendar days after the end of each calendar year. Each participating county and each eligible participant shall be notified by the department of receipt of the funds.

(b) The following shall be performed by the department:

(1) Transmission of the state funds and participating county funds to the lending institution for repayment of each eligible participant's student loan;

(2) payment to the lending institution of the student loan repayment funds, which shall be within 30 calendar days of receipt of funds from the participating county; and

(3) notification to each participating county and eligible participant of the transmitted student loan payment.

(c) Repayment of student loan funds may be made directly to the eligible participant if both of the following conditions are met:

(1) The student loan has been paid in full during the preceding 12 months.

(2) The eligible participant has no other student loan debt. (Authorized by 2011 SB 198, sec. 3 and K.S.A. 2010 Supp. 74-5002r; implementing 2011 SB 198, secs. 2 and 3; effective, T-\_\_\_\_\_, \_\_\_\_\_; effective P-\_\_\_\_\_.)

K.S.A. 74-50,222  
74-50,222. Rural opportunity zones; definitions

As used in K.S.A. 74-50,222, 74-50,223 and 79-32,267, and amendments thereto:

- (a) "Institution of higher education" means a public or private nonprofit educational institution that meets the requirements of participation in programs under the higher education act of 1965, as amended, 34 C.F.R. § 600;
- (b) "rural opportunity zone" means Allen, Anderson, Barber, Bourbon, Brown, Chase, Chautauqua, Cherokee, Cheyenne, Clark, Clay, Cloud, Coffey, Comanche, Decatur, Doniphan, Edwards, Elk, Ellsworth, Gove, Graham, Grant, Gray, Greeley, Greenwood, Hamilton, Harper, Haskell, Hodgeman, Jackson, Jewell, Kearny, Kingman, Kiowa, Labette, Lane, Lincoln, Linn, Logan, Marion, Marshall, Meade, Mitchell, Montgomery, Morris, Morton, Nemaha, Neosho, Ness, Norton, Osborne, Ottawa, Pawnee, Phillips, Pratt, Rawlins, Republic, Rice, Rooks, Rush, Russell, Scott, Sheridan, Sherman, Smith, Stafford, Stanton, Stevens, Sumner, Trego, Thomas, Wabaunsee, Wallace, Washington, Wichita, Wilson or Woodson counties;
- (c) "secretary" means the secretary of commerce; and
- (d) "student loan" means a federal student loan program supported by the federal government and a nonfederal loan issued by a lender such as a bank, savings and loan or credit union to help students and parents pay school expenses for attendance at an institution of higher education.

**Credits**

Laws 2011, ch. 22, § 1, eff. July 1, 2011; Laws 2013, ch. 135, § 9, eff. June 20, 2013; Laws 2014, ch. 140, § 19, eff. July 1, 2014.

K. S. A. 74-50,222, KS ST 74-50,222  
Current through 2014 regular session

K.S.A. 74-50,223

74-50,223. Same; county participation, procedures; resident individuals, payment of outstanding student loan balances

(a) Any county that has been designated a rural opportunity zone pursuant to K.S.A. 74-50,222, and amendments thereto, may participate in the program provided in this section by authorizing such participation by the county commission of such county through a duly enacted written resolution. Such county shall provide a certified copy of such resolution to the secretary of commerce on or before January 1, 2012, for calendar year 2012, or on or before January 1 for each calendar year thereafter, in which a county chooses to participate. Such resolution shall obligate the county to participate in the program provided by this section for a period of five years, and shall be irrevocable. Such resolution shall specify the maximum amount of outstanding student loan balance for each resident individual to be repaid as provided in subsection (b), except the maximum amount of such balance shall be \$15,000.

(b) If a county submits a resolution as provided in subsection (a), under the program provided in this section, subject to subsection (d), the state of Kansas and such county which chooses to participate as provided in subsection (a), shall agree to pay in equal shares the outstanding student loan balance of any resident individual who qualifies to have such individual's student loans repaid under the provisions of subsection (c) over a five-year period, except that the maximum amount of such balance shall be \$15,000. The amount of such repayment shall be equal to 20% of the outstanding student loan balance of the individual in a year over the five-year repayment period. The state of Kansas is not obligated to pay the student loan balance of any resident individual who qualifies pursuant to subsection (c) prior to the county submitting a resolution to the secretary pursuant to subsection (a). Each such county shall certify to the secretary that such county has made the payment required by this subsection.

(c) A resident individual shall be entitled to have such individual's outstanding student loan balance paid for attendance at an institution of higher education where such resident individual earned an associate, bachelor or post-graduate degree under the provisions of this section when such resident individual establishes domicile in a county designated as a rural opportunity zone which participates in the program as provided in subsection (a), on and after the date in which such county commenced such participation, and prior to July 1, 2016. Such resident individual may enroll in this program in a form and manner prescribed by the secretary. Subject to subsection (d), once enrolled such resident individual shall be entitled to full participation in the program for five years, except that if the resident individual relocates outside the rural opportunity zone for which the resident individual first qualified, such resident individual forfeits such individual's eligibility to participate, and obligations under this section of the state and the county terminate. No resident individual shall enroll and be eligible to participate in this program after June 30, 2016.

(d) The provisions of this act shall be subject to appropriation acts. Nothing in this act guarantees a resident individual a right to the benefits provided in this section. The county may continue to participate even if the state does not participate.

(e) The secretary shall adopt rules and regulations necessary to administer the provisions of this section.

(f) On January 1, 2012, and annually thereafter until January 1, 2017, the secretary of commerce shall report to the senate committee on assessment and taxation and the house of representatives committee on taxation as to how many residents applied for the rural opportunity zone tax credit.

**Credits**

Laws 2011, ch. 22, § 3, eff. July 1, 2011.

K. S. A. 74-50,223, KS ST 74-50,223  
Current through 2014 regular session

K.S.A. 79-32,267  
79-32,267. Tax credit for taxpayers domiciled in a rural opportunity zone

(a) For taxable years commencing after December 31, 2011, and before January 1, 2017, there shall be allowed as a credit against the tax liability of a resident individual taxpayer an amount equal to the resident individual's income tax liability under the provisions of the Kansas income tax act, when the resident individual:

- (1) Establishes domicile in a rural opportunity zone on or after July 1, 2011, and prior to January 1, 2016, and was domiciled outside this state for five or more years immediately prior to establishing their domicile in a rural opportunity zone in this state;
- (2) had Kansas source income less than \$10,000 in any one year for five or more years immediately prior to establishing their domicile in a rural opportunity zone in this state; and
- (3) was domiciled in a rural opportunity zone during the entire taxable year for which such credit is claimed.

(b) A resident individual may claim the credit authorized by this section for not more than five consecutive years following establishment of their domicile in a rural opportunity zone.

(c) The maximum amount of any refund under this section shall be equal to the amount withheld from the resident individual's wages or payments other than wages pursuant to K.S.A. 79-3294 et seq., and amendments thereto, or paid by the resident individual as estimated taxes pursuant to K.S.A. 79-32,101 et seq., and amendments thereto.

(d) No credit shall be allowed under this section if:

- (1) The resident individual's income tax return on which the credit is claimed is not timely filed, including any extension; or
- (2) the resident individual is delinquent in filing any return with, or paying any tax due to, the state of Kansas or any political subdivision thereof.

(e) This section shall be part of and supplemental to the Kansas income tax act.

**Credits**

Laws 2011, ch. 22, § 2, eff. July 1, 2011.

K. S. A. 79-32,267, KS ST 79-32,267  
Current through 2014 regular session

Southeast Kansas Regional

Business and Community Development Office

Craig Van Wey

Business & Technology Institute

Pittsburg State University

Shirk Hall – 1501 South Joplin

Pittsburg, KS 66762

Phone: (785) 633-8407

Email Craig Van Wey

