

House Engrossed Senate Bill

~~school districts; aggregate expenditure limitation~~
(now: community colleges; four-year degrees)

State of Arizona
Senate
Fifty-fifth Legislature
First Regular Session
2021

SENATE BILL 1453

AN ACT

AMENDING SECTIONS 15-1401 AND 15-1444, ARIZONA REVISED STATUTES; AMENDING TITLE 15, CHAPTER 12, ARTICLE 3, ARIZONA REVISED STATUTES, BY ADDING SECTION 15-1444.01; AMENDING SECTION 15-1469, ARIZONA REVISED STATUTES; RELATING TO COMMUNITY COLLEGES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 15-1401, Arizona Revised Statutes, is amended to
3 read:

4 15-1401. Definitions

5 In this chapter, unless the context otherwise requires:

6 1. "Accredited" means accredited by a regional accrediting agency
7 recognized by the United States department of education or by the council
8 on postsecondary accreditation.

9 2. "Additional short-term classes" means those classes that are not
10 in session on the forty-fifth day of the fall or spring semester, that
11 commence at various times during the fiscal year and that are offered over
12 a period of less than sixteen weeks.

13 3. "Budget year" means the fiscal year for which the community
14 college district is budgeting and that immediately follows the current
15 year.

16 4. "Community college" means an educational institution that is
17 operated by a district board and that provides a program ~~not exceeding two~~
18 **OF NOT MORE THAN FOUR** years' training in the arts, sciences and humanities
19 beyond the twelfth grade of the public or private high school course of
20 study or vocational education, including terminal courses of a technical
21 and vocational nature and basic adult education courses.

22 5. "Community college tuition financing district" means a district
23 that is organized pursuant to section 15-1409.

24 6. "Current year" means the fiscal year in which the community
25 college district is operating.

26 7. "District" means a community college district that is
27 established pursuant to sections 15-1402 and 15-1403 or section 15-1402.01
28 and that is a political subdivision of this state and, unless otherwise
29 specified, includes community college tuition financing districts
30 established pursuant to section 15-1409.

31 8. "District board" means the community college district governing
32 board.

33 9. "Full-time equivalent student" means student enrollment for
34 fifteen community college semester credit units per semester.

35 10. "Open entry, open exit classes" means those classes in which
36 students enter or exit based on mastery of specified competencies and that
37 commence at various times during the fiscal year.

38 11. "Operational expense budget" means the budget as adopted by the
39 district board pursuant to section 15-1461.

40 12. "Operational expenses" means the administration, instruction,
41 operation of community college plant, maintenance of community college
42 plant, fixed charges and contingencies incurred in the operation of a
43 district, ~~exclusive of~~ **EXCLUDING** all capital outlay items, special levies,
44 auxiliary enterprise funds, restricted funds and bond service items.

1 13. "Provisional community college district" means a community
2 college district THAT WAS organized pursuant to section 15-1409 AND THAT
3 BEGAN OPERATIONS BEFORE JANUARY 1, 2015.

4 Sec. 2. Section 15-1444, Arizona Revised Statutes, is amended to
5 read:

6 15-1444. General powers and duties of district boards

7 A. Except as otherwise provided, ~~the~~ EACH district board shall:

8 1. Maintain each community college UNDER ITS JURISDICTION for a
9 period of ~~not less than~~ AT LEAST eight months in each year and, if the
10 ~~funds~~ MONIES of the district are sufficient, maintain each community
11 college for a longer period.

12 2. Adopt policies in a public forum to offer programs that meet the
13 educational needs of the population served by the community college.

14 3. Enforce the courses of study prescribed by the district board.

15 4. Visit each community college under its jurisdiction and examine
16 carefully into its management, conditions and needs.

17 5. Exclude from each community college all books, publications or
18 papers of a sectarian, partisan or denominational character intended for
19 use as textbooks.

20 6. Appoint and employ a chancellor or chancellors, ~~vice-chancellors~~
21 VICE CHANCELLORS, a president or presidents, vice presidents, deans,
22 professors, instructors, lecturers, fellows and such other officers and
23 employees it deems necessary. The district board may enter into
24 employment contracts with chancellors, ~~vice-chancellors~~ VICE CHANCELLORS
25 and presidents for a duration of more than one year but not more than five
26 years.

27 7. Determine the salaries of persons it appoints and employs. A
28 district may not compensate an employee for work performed on behalf of an
29 elected employee representative organization and may not provide more
30 favorable terms and conditions of employment to any employee because that
31 individual belongs to an elected employee representative organization.

32 8. Remove any officer or employee if in its judgment the interests
33 of education in this state require the removal.

34 9. Award degrees, certificates and diplomas on the completion of
35 courses and curricula as it deems appropriate.

36 10. Appoint or employ, if it deems necessary, police officers who
37 shall have the authority and power of peace officers. The police officers
38 who have received a certificate from the Arizona peace officer standards
39 and training board are eligible for membership in and benefits under
40 either title 38, chapter 5, article 2 or the public safety personnel
41 retirement system under title 38, chapter 5, article 4.

1 11. Determine the location within the district of a community
2 college and purchase, receive, hold, make and take leases of, sell and
3 convey real or personal property for the benefit of the community colleges
4 under its jurisdiction.

5 12. Obtain insurance or be self-insured, or a combination of
6 insurance and self-insurance, against loss, to the extent it is determined
7 necessary on community college buildings of the district. The local
8 district shall have an insurable interest in the buildings.

9 B. The district board may:

10 1. Administer trusts declared or created for the district and
11 receive by gift or devise and hold in trust or otherwise property
12 wheresoever located, and if not otherwise provided, dispose of the
13 property for the benefit of the district.

14 2. Lease real property, as lessor or as lessee. If a district is
15 the lessee, the lease may contain an option to purchase the property. The
16 district board may adopt policies as are deemed necessary and may delegate
17 in writing to the chancellor or president of the district, or their
18 designees, all or any part of its authority to lease property under this
19 paragraph. Any delegation by the district board pursuant to this
20 paragraph may be rescinded in whole or in part at any time by the district
21 board.

22 3. Sue and be sued.

23 4. Contract. The district board may adopt such policies as are
24 deemed necessary and may delegate in writing to the chancellor or
25 president of the district, or their designees, all or any part of its
26 authority to contract under this paragraph. Any delegation of authority
27 under this paragraph may be rescinded by the district board at any time in
28 whole or in part.

29 5. Construct, remodel and repair buildings.

30 6. In conjunction with other districts, establish policies for
31 ~~procurement of~~ PROCURING goods and services.

32 7. Provide a plan or plans for employee benefits, which may include
33 optional retirement programs pursuant to section 15-1451, subsection A,
34 which allow for participation in a cafeteria plan that meets the
35 requirements of the United States internal revenue code of 1986.

36 8. Accept grants or donations of monies from the United States or
37 any of its agencies, departments or officers, this state, political
38 subdivisions of this state, tribal governments, school districts, special
39 taxing districts, persons, corporations, foundations or associations. The
40 district board shall deposit the monies into a specific fund or account
41 and shall administer the monies in accordance with the purpose of the
42 grant or donation with specific policies or restrictions as described or
43 stipulated in the grant or donation. In the case of personal property
44 granted or donated to or for the benefit of a community college district,

1 the district board shall immediately transfer possession and ownership of
2 the property to the designated district. Monies received pursuant to this
3 paragraph are not considered local revenues for the purposes of article
4 IX, section 21, Constitution of Arizona.

5 9. Enter into intergovernmental agreements or contracts pursuant to
6 section 11-952.01 for participation in programs offered by public agency
7 pools or separately contract with a trustee or board of trustees that
8 provides a common self-insurance program with pooled funds and risks
9 pursuant to section 15-382, subsection B, paragraph 2. The district board
10 is not required to engage in competitive procurement in order to make the
11 decision to participate in these programs.

12 10. Name a building or a group of buildings that is located on a
13 community college campus on behalf of a person or entity that has made a
14 significant contribution of monies or other property to the community
15 college or the community college district.

16 11. Enter into research and development agreements, royalty
17 agreements, development agreements, licensing agreements and
18 profit-sharing agreements concerning the research, development,
19 production, storing or marketing of new products developed or to be
20 developed through community college district research. Monies received
21 pursuant to this paragraph are not considered local revenues for the
22 purposes of article IX, section 21, Constitution of Arizona.

23 12. Enter into an intergovernmental agreement pursuant to section
24 15-1747 to participate in a reciprocity agreement subject to the terms of
25 the reciprocity agreement.

26 13. Engage in entrepreneurial and commercial activities. Monies
27 received pursuant to this paragraph are not considered local revenues for
28 the purposes of article IX, section 21, Constitution of Arizona.

29 14. Collect auxiliary fees, including cafeteria fees, food service
30 fees, bookstore fees and dormitory fees. Monies received pursuant to this
31 paragraph are not considered local revenues for the purposes of article
32 IX, section 21, Constitution of Arizona.

33 15. Provide goods and services pursuant to a contract with a
34 political subdivision of this state or with a tribal government. Monies
35 received pursuant to this paragraph are not considered local revenues for
36 the purposes of article IX, section 21, Constitution of Arizona.

37 16. FOR A COMMUNITY COLLEGE IN A COUNTY WITH A POPULATION OF SEVEN
38 HUNDRED FIFTY THOUSAND PERSONS OR LESS, OFFER FOUR-YEAR BACCALAUREATE
39 DEGREES THAT ARE ACCREDITED BY A REGIONAL ACCREDITATION AGENCY APPROVED BY
40 THE UNITED STATES DEPARTMENT OF EDUCATION.

41 17. FOR A COMMUNITY COLLEGE IN A COUNTY WITH A POPULATION OF MORE
42 THAN SEVEN HUNDRED FIFTY THOUSAND PERSONS, OFFER FOUR-YEAR BACCALAUREATE
43 DEGREES THAT ARE ACCREDITED BY A REGIONAL ACCREDITATION AGENCY APPROVED BY
44 THE UNITED STATES DEPARTMENT OF EDUCATION AS FOLLOWS:

1 (a) FOR THE FIRST FOUR YEARS THAT A COMMUNITY COLLEGE OFFERS
2 FOUR-YEAR BACCALAUREATE DEGREES, THE COMMUNITY COLLEGE MAY NOT OFFER MORE
3 THAN FIVE PERCENT OF ITS TOTAL NUMBER OF DEGREE AND CERTIFICATION
4 OFFERINGS FOR FOUR-YEAR BACCALAUREATE DEGREES. FOR THE FIFTH AND
5 SUBSEQUENT YEARS THAT A COMMUNITY COLLEGE OFFERS FOUR-YEAR BACCALAUREATE
6 DEGREES, THE COMMUNITY COLLEGE MAY NOT OFFER MORE THAN TEN PERCENT OF ITS
7 TOTAL NUMBER OF DEGREE AND CERTIFICATION OFFERINGS FOR FOUR-YEAR
8 BACCALAUREATE DEGREES.

9 (b) TUITION PER CREDIT HOUR FOR THE THIRD AND FOURTH YEARS OF A
10 FOUR-YEAR BACCALAUREATE PROGRAM MAY NOT EXCEED ONE HUNDRED FIFTY PERCENT
11 OF THE TUITION PER CREDIT HOUR OF ANY OTHER DISTRICT PROGRAM.

12 C. If a district acquires real or personal property, whether by
13 purchase, exchange, condemnation, gift or otherwise, the district shall
14 pay to the county treasurer any taxes on the property that were unpaid as
15 of the date of acquisition, including penalties and interest. The lien
16 for unpaid delinquent taxes, penalties and interest on property acquired
17 by the district:

18 1. Is not abated, extinguished, discharged or merged in the title
19 to the property.

20 2. Is enforceable in the same manner as other delinquent tax liens.

21 D. In a district whose boundaries encompass a vehicle emissions
22 control area as defined in section 49-541, the district board shall
23 require all out-of-county and out-of-state students to sign an affidavit
24 at the time of course registration that the student's vehicle meets the
25 requirements of section 49-542. The district board on property under its
26 jurisdiction within a vehicle emissions control area shall prohibit the
27 parking of those vehicles that fail to comply with section 49-542.

28 E. A community college district and a career technical education
29 district governing board may enter into agreements ~~for the provision of~~ TO
30 PROVIDE administrative, operational and educational services and
31 facilities.

32 F. Each district may establish a program for the exchange of
33 students between the community colleges under its jurisdiction and
34 colleges and universities located in Sonora, Mexico. The program may
35 provide for in-state tuition for Sonora students at the community colleges
36 under the jurisdiction of the district in exchange for similar tuition
37 provisions for Arizona students enrolled or seeking enrollment in Sonora
38 colleges and universities. The community colleges may work in conjunction
39 with the Arizona-Mexico commission in the governor's office to coordinate
40 recruitment and admissions activities to provide for in-state tuition for
41 up to fifty Sonora students at the community colleges under the
42 jurisdiction of the district in exchange for similar tuition provisions
43 for up to fifty total Arizona students enrolled or seeking enrollment in
44 Sonora colleges and universities.

1 G. Each district shall facilitate transfer articulation
2 coordination pursuant to section 15-1824.

3 Sec. 3. Title 15, chapter 12, article 3, Arizona Revised Statutes,
4 is amended by adding section 15-1444.01, to read:

5 15-1444.01. Baccalaureate degree programs; reporting
6 requirements; definitions

7 A. EACH COMMUNITY COLLEGE THAT OFFERS A BACCALAUREATE DEGREE
8 PROGRAM PURSUANT TO SECTION 15-1444, SUBSECTION B, PARAGRAPH 16 OR 17 MUST
9 MEET BOTH OF THE FOLLOWING:

- 10 1. ALL APPLICABLE REGIONAL ACCREDITATION REQUIREMENTS.
11 2. ALL APPLICABLE STATE LICENSURE REQUIREMENTS.

12 B. WHEN DETERMINING WHETHER TO OFFER A BACCALAUREATE DEGREE PROGRAM
13 PURSUANT TO SECTION 15-1444, SUBSECTION B, PARAGRAPH 16 OR 17, THE
14 DISTRICT BOARD SHALL MAKE ITS DETERMINATION BASED ON ALL OF THE FOLLOWING
15 CRITERIA:

- 16 1. WHETHER THE COMMUNITY COLLEGE CAN DEMONSTRATE BOTH:

17 (a) WORKFORCE NEED FOR THE BACCALAUREATE DEGREE PROGRAM IN THE
18 REGION SERVED BY THE COMMUNITY COLLEGE.

19 (b) STUDENT DEMAND FOR THE BACCALAUREATE DEGREE PROGRAM.

20 2. A FINANCIAL ANALYSIS THAT SHOWS THE SHORT-TERM AND LONG-TERM
21 IMPACTS TO INITIATE AND SUSTAIN THE BACCALAUREATE DEGREE PROGRAM,
22 INCLUDING ALL OF THE FOLLOWING:

23 (a) THE SOURCE OF MONIES.

24 (b) FACILITIES REQUIREMENTS.

25 (c) FACULTY.

26 (d) PERSONNEL.

27 (e) ADMINISTRATIVE COSTS.

28 3. WHETHER THE BACCALAUREATE DEGREE PROGRAM WOULD UNNECESSARILY
29 DUPLICATE THE DEGREE PROGRAMS OFFERED BY OTHER INSTITUTIONS OF HIGHER
30 EDUCATION IN THIS STATE.

31 4. THE ABILITY OF THE COMMUNITY COLLEGE TO SUPPORT THE
32 BACCALAUREATE DEGREE PROGRAM WITH STUDENT ENROLLMENT AND THE ADEQUACY OF
33 THE COMMUNITY COLLEGE'S FACILITIES, FACULTY, ADMINISTRATION, LIBRARIES AND
34 OTHER RESOURCES.

35 C. A COMMUNITY COLLEGE THAT IS WITHIN A COMMUNITY COLLEGE DISTRICT
36 LOCATED IN THE SAME COUNTY AS THE MAIN CAMPUS OF ANY PUBLIC UNIVERSITY AND
37 THAT IS DEVELOPING A BACCALAUREATE DEGREE PROGRAM SHALL NOTIFY THE PUBLIC
38 UNIVERSITY WHOSE MAIN CAMPUS IS LOCATED IN THE SAME COUNTY AS THE
39 COMMUNITY COLLEGE DISTRICT AT LEAST SIXTY DAYS BEFORE SUBMITTING THE
40 REPORT PRESCRIBED IN SUBSECTION D OF THIS SECTION TO THE DISTRICT BOARD.
41 WITHIN THIRTY DAYS AFTER THE DATE THE COMMUNITY COLLEGE SUBMITS THE
42 NOTICE, THE PUBLIC UNIVERSITY MAY PROVIDE A WRITTEN RESPONSE TO THE
43 DISTRICT BOARD FOR ITS REVIEW. THIS SUBSECTION DOES NOT ALLOW A PUBLIC

1 UNIVERSITY TO PREVENT A COMMUNITY COLLEGE FROM OFFERING A BACCALAUREATE
2 DEGREE PROGRAM.

3 D. BEFORE THE DISTRICT BOARD AUTHORIZES A COMMUNITY COLLEGE TO
4 OFFER A BACCALAUREATE DEGREE PROGRAM PURSUANT TO SECTION 15-1444,
5 SUBSECTION B, PARAGRAPH 16 OR 17, THE COMMUNITY COLLEGE MUST SUBMIT A
6 REPORT TO THE DISTRICT BOARD THAT INCLUDES ALL OF THE FOLLOWING
7 INFORMATION:

- 8 1. THE NAME OF THE PROPOSED ACADEMIC DEGREE PROGRAM.
- 9 2. THE ACADEMIC DEPARTMENT THAT WILL OFFER THE PROPOSED DEGREE
10 PROGRAM.
- 11 3. WHETHER THE INSTRUCTIONAL MODALITY WOULD BE IMMERSION OR ONLINE,
12 OR BOTH.
- 13 4. THE TOTAL CREDIT HOURS NECESSARY TO COMPLETE THE DEGREE PROGRAM.
- 14 5. THE PROPOSED INCEPTION TERM.
- 15 6. A BRIEF DESCRIPTION OF THE PROPOSED DEGREE PROGRAM.
- 16 7. A LEARNING OUTCOMES AND ASSESSMENT PLAN, INCLUDING:
 - 17 (a) CONCEPTS.
 - 18 (b) COMPETENCIES.
 - 19 (c) ASSESSMENT METHODS AND MEASURES.
- 20 8. THE PROJECTED ENROLLMENT BY YEAR FOR THE FIRST THREE YEARS THE
21 DEGREE PROGRAM IS OFFERED.
- 22 9. EVIDENCE OF MARKET DEMAND FOR THE PROPOSED DEGREE PROGRAM.
- 23 10. SIMILAR DEGREE PROGRAMS OFFERED AT OTHER INSTITUTIONS OF HIGHER
24 EDUCATION IN THIS STATE.
- 25 11. THE NEW RESOURCES REQUIRED, INCLUDING A LONG-TERM PLAN FOR
26 FACULTY RECRUITMENT THAT INDICATES THE ABILITY TO PAY THE INCREASED
27 SALARIES OF DOCTORAL FACULTY AND IDENTIFIES RECRUITMENT STRATEGIES FOR NEW
28 FACULTY.
- 29 12. ANY WRITTEN RESPONSES PROVIDED BY A PUBLIC UNIVERSITY PURSUANT
30 TO SUBSECTION C OF THIS SECTION.

31 E. EACH COMMUNITY COLLEGE THAT OFFERS A BACCALAUREATE DEGREE
32 PROGRAM PURSUANT TO SECTION 15-1444, SUBSECTION B, PARAGRAPH 16 OR 17
33 SHALL SUBMIT A REPORT TO THE JOINT LEGISLATIVE AUDIT COMMITTEE ON OR
34 BEFORE OCTOBER 1 OF THE FIFTH YEAR AFTER INITIALLY OFFERING THAT
35 BACCALAUREATE DEGREE PROGRAM. THE REPORT SHALL REVIEW THE FIRST FIVE
36 YEARS OF THE BACCALAUREATE DEGREE PROGRAM AT THE COMMUNITY COLLEGE AND
37 SHALL INCLUDE ALL OF THE FOLLOWING:

- 38 1. THE NUMBER OF:
 - 39 (a) ALL BACCALAUREATE DEGREE PROGRAMS IMPLEMENTED AT THE COMMUNITY
40 COLLEGE.
 - 41 (b) APPLICANTS TO EACH BACCALAUREATE DEGREE PROGRAM.
 - 42 (c) PERSONS WHO ARE ADMITTED INTO EACH BACCALAUREATE DEGREE
43 PROGRAM.
 - 44 (d) PERSONS WHO ARE ENROLLED IN EACH BACCALAUREATE DEGREE PROGRAM.

- 1 (e) PERSONS WHO RECEIVED DEGREES FROM EACH BACCALAUREATE DEGREE
2 PROGRAM.
- 3 2. THE COSTS OF EACH BACCALAUREATE DEGREE PROGRAM, INCLUDING COST
4 PER DEGREE AND THE FUNDING SOURCES THAT WERE USED TO FINANCE EACH DEGREE
5 PROGRAM.
- 6 3. CURRENT TRENDS IN WORKFORCE DEMANDS THAT REQUIRE FOUR-YEAR
7 DEGREES IN EACH SPECIFIC BACCALAUREATE DEGREE PROGRAM OFFERED.
- 8 4. CURRENT COMPLETION AND CONTINUATION RATES, IF AVAILABLE, FOR
9 EACH COHORT OF STUDENTS PARTICIPATING IN EACH BACCALAUREATE DEGREE
10 PROGRAM.
- 11 5. INFORMATION ON THE IMPACT OF EACH BACCALAUREATE DEGREE PROGRAM
12 ON UNDERSERVED AND UNDERPREPARED STUDENTS.
- 13 6. THE EXTENT TO WHICH EACH BACCALAUREATE DEGREE PROGRAM FULFILLS
14 IDENTIFIED WORKFORCE NEEDS FOR NEW BACCALAUREATE DEGREE PROGRAMS.
- 15 7. INFORMATION ON THE PLACES OF EMPLOYMENT OF STUDENTS AND THE
16 SUBSEQUENT JOB PLACEMENT OF GRADUATES OF EACH BACCALAUREATE DEGREE
17 PROGRAM.
- 18 8. FOR EACH BACCALAUREATE DEGREE PROGRAM, THE COSTS TO STUDENTS,
19 THE AMOUNT OF FINANCIAL AID OFFERED AND THE STUDENT DEBT LEVELS OF
20 GRADUATES.
- 21 9. TIME-TO-DEGREE RATES AND COMPLETION RATES FOR EACH BACCALAUREATE
22 DEGREE PROGRAM.
- 23 F. EACH COMMUNITY COLLEGE DISTRICT THAT OFFERS A BACCALAUREATE
24 DEGREE PROGRAM SHALL INCLUDE ALL OF THE FOLLOWING IN ITS ANNUAL REPORT
25 REQUIRED BY SECTION 15-1427:
 - 26 1. THE TOTAL NUMBER OF STUDENTS PURSUING A BACCALAUREATE DEGREE AT
27 THE COMMUNITY COLLEGE DISTRICT PURSUANT TO THIS SECTION.
 - 28 2. THE TOTAL NUMBER OF BACCALAUREATE DEGREES COMPLETED AT THE
29 COMMUNITY COLLEGE DISTRICT.
 - 30 3. WORKFORCE DATA SHOWING DEMAND FOR THE BACCALAUREATE DEGREE
31 PROGRAMS OFFERED AT THE COMMUNITY COLLEGE DISTRICT.
 - 32 4. THE AVERAGE COST OF TUITION PER CREDIT HOUR FOR THE
33 BACCALAUREATE DEGREES OFFERED AT THE COMMUNITY COLLEGE DISTRICT.
- 34 G. FOR THE PURPOSES OF THIS SECTION:
 - 35 1. "MAIN CAMPUS" MEANS THE CENTRAL LOCATION OF THE PUBLIC
36 UNIVERSITY'S LIBRARY SYSTEM AND COMPUTER CENTER.
 - 37 2. "PUBLIC UNIVERSITY" MEANS A UNIVERSITY UNDER THE JURISDICTION OF
38 THE ARIZONA BOARD OF REGENTS.

1 Sec. 4. Section 15-1469, Arizona Revised Statutes, is amended to
2 read:

3 15-1469. Attendance of nonresident state students; payment of
4 cost by county of residence

5 A. The district may admit students from any part of this state that
6 is not a part of an established community college district on the same
7 conditions as residents.

8 B. The county of the student's residence shall reimburse the
9 district as provided in this subsection. The amount of reimbursement to
10 each community college district from each county that is not a part of an
11 organized community college district shall be determined as follows:

12 1. For students attending classes within the established community
13 college district:

14 (a) Determine the number of full-time equivalent students attending
15 classes within the district from the county for the year preceding the
16 current year.

17 (b) Determine the operational expenses of the district for the
18 current year, excluding direct and indirect costs of noncredit courses **AND**
19 **DIRECT AND INDIRECT COSTS OF 300 AND 400 LEVEL COMMUNITY COLLEGE**
20 **BACCALAUREATE DEGREE COURSES.**

21 (c) Determine the amount of state aid the district received for the
22 current year as provided in section 15-1466.

23 (d) Subtract the amount of state aid received for the current year
24 determined in subdivision (c) of this paragraph from the amount of
25 operational expenses for the current year determined in subdivision (b) of
26 this paragraph.

27 (e) Determine the number of full-time equivalent students enrolled
28 in the district for the current year.

29 (f) Divide the amount determined in subdivision (d) of this
30 paragraph by the number of full-time equivalent students determined in
31 subdivision (e) of this paragraph.

32 (g) Multiply the amount determined in subdivision (f) of this
33 paragraph by the average number of full-time equivalent students for the
34 county determined as provided in subdivision (a) of this paragraph.

35 The resulting amount is the amount of reimbursement to the district from
36 the county for the budget year for students attending classes within the
37 established community college district.

38 2. For students attending classes offered by the district within
39 the county pursuant to section 15-1470, the amount specified in the
40 intergovernmental agreement is the amount of reimbursement to the district
41 from the county for the budget year for students attending classes within
42 the county.

1 C. On or before May 15 of each year, the staff of the joint
2 legislative budget committee shall:

3 1. Determine the amount of reimbursement to each district from each
4 county pursuant to subsection B, paragraph 1 of this section.

5 2. Notify the board of supervisors of each county of the amount it
6 shall reimburse to each district pursuant to subsection B, paragraph 1 of
7 this section for the budget year.

8 3. Notify each community college district eligible to receive
9 reimbursement of the amount of reimbursement from each county pursuant to
10 subsection B, paragraph 1 of this section for the budget year.

11 D. On or before November 15 and May 15 of each year, the board of
12 supervisors shall draw warrants on the county treasurer in favor of the
13 community college district for half of the amount due pursuant to
14 subsection B of this section. The board of supervisors shall:

15 1. Pay monies from the county general fund or levy a community
16 college reimbursement levy pursuant to section 42-17203 for the amount of
17 reimbursement pursuant to an intergovernmental agreement for extension
18 courses as provided in section 15-1470.

19 2. Pay monies from the county general fund or levy a community
20 college reimbursement levy pursuant to section 42-17203 for the amount of
21 reimbursement pursuant to subsection B, paragraph 1 of this section.

22 E. Notwithstanding subsection D of this section, a county and a
23 community college district may specify by intergovernmental agreement that
24 the amount of reimbursement due from the county be reduced by the value of
25 in-kind contributions made by the county to the district.

26 F. For the purposes of subsection B, paragraph 1 of this section,
27 full-time equivalent students are determined in the same manner prescribed
28 by section 15-1466.01.

29 Sec. 5. Legislative findings

30 The legislature finds and declares:

31 1. Four-year degrees are of increasing importance in enabling
32 individuals to qualify for and obtain jobs.

33 2. It is a priority in this state to afford the citizens in this
34 state, particularly those in rural areas of this state, greater access to
35 higher education.

36 3. Community colleges can help fill the gaps in this state's higher
37 education system by granting baccalaureate degrees in order to meet the
38 growing demand for a skilled workforce.

39 4. It is therefore in the interest of this state to enable
40 community colleges to seek authorization to offer baccalaureate degrees.

41 5. Baccalaureate degree programs offered pursuant to this act do
42 not otherwise alter the role and mission of a public community college.