COUNTY/CITY -SPONSORSHIP OF ROZ APPLICANTS FAQ's

1. When are ROZ resolutions due to the Kansas Department of Commerce (KDC)?

a. ROZ counties and cities must submit a ROZ resolution to the KDC prior to January 31 of each calendar year.

2. Does a county need to add funding to the resolution in order to allow partner sponsors to fund ROZ in the county?

- a. Counties may submit a \$0 resolution if the county does not sponsor participants but at the same time wants cities, foundation, and employers to be eligible to sponsor new participants.
- b. How does city sponsorship work?
 - i. City sponsorship is reviewed on a "first-come, first-serve" basis like county sponsorships. If an applicant lists the city as their new domicile, city sponsorship will be used prior to county sponsorship.
 - ii. Eligibility for city sponsorship includes any applicant who uses the city as their address, not necessarily a person domiciled "In City Limits."

3. How can local governments be sure to receive timely ROZ updates?

- a. Counties must send updated contact information (direct contact email addresses) for County Commissioners, County Clerks, Economic Development professionals, and the ROZ contact person for their county within 30 days of changes taking place.
- b. Cities must send updated contact information (direct contact email addresses) for the Mayor, City Manager, and the ROZ contact person within 30 days of a change taking place.

4. What is the start date for new counties added to ROZ through the passage of SB47?

a. Counties added to the ROZ program through the passage of SB47 on July 1, 2021 will be able to accept participants who relocate to the county after July 1, 2021 and after they submit their ROZ Resolution, which ever date is later. This means prospective participants must relocate to a ROZ county after July 1, 2021.

5. When are county resolutions due for CY 2021?

a. ROZ resolutions for the newly added counties are being accepted until June 30, 2021 for participation in the ROZ program for CY 2021. Resolution templates can be found at www.kansascommerce.gov/roz

6. When are sponsorship matching funds due to KDC?

- a. City and county sponsorship dollars are due no later than September 30, each calendar year, as distributions are begin processing in October/November.
- b. Sponsorship invoices will be sent out via email to all sponsors. Invoices can be paid by electronic transfer or electronic check here:
 - https://otc.cdc.nicusa.com/Public2.aspx?portal=Kansas&organization=Kansas%20Department%20of%20 Commerce%20-%20ROZ%20Sponsor%20Contribution
- c. The KDC will accept paper checks for CY 2021 and checks must be post marked before September 30, 2021. In CY 2022, only electronic payments will be accepted.

7. What happens if a County Commission does not sign and turn in a resolution each year?

- a. If a county does not submit a resolution prior to January 31 each calendar year, partner sponsors will not be eligible to sponsor new participants in the ROZ program in that county for that calendar year.
- 8. If a resolution is funded at, for example, \$12,000, are counties and cities committed to that for the next five years?

Below are a few scenario examples to help counties and cities understand resolution budgeting commitments.

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Scenario 1				
County funds a Resolut	tion in 2021 but not in any other	r years all participants stay in County all 5 years	ars	
2021 Resolution \$12K	New Participants Approved: 8	Invoice for 2021: \$12K		
2022 Resolution \$0	New Participants Approved: 0	Approved Participants still in the County: 8		Invoice for 2022: \$12K
2023 Resolution \$0	New Participants Approved: 0	Approved Participants still in the County: 8		Invoice for 2023: \$12K
2024 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 8	Invoice for 2024: \$12K
2025 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 8	Invoice for 2025: \$12K
Scenario 2				
County funds a Resolut	tion in 2021, 2022 and 2023, 6 p	articipants stay in county all 5 years, 1 new p	articipant is added in 2022 and 2023	
2021 Resolution \$12K	New Participants Approved: 8	invoice for 2021: \$12K		
2022 Resolution \$12K	New Participants Approved: 1	Approved Participants still in the County: 7		Invoice for 2022: \$12K
2023 Resolution \$12K	New Participants Approved: 1	Approved Participants still in the County: 7		Invoice for 2023: \$12K
2024 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 8	Invoice for 2024: \$12K
2025 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 6	Invoice for 2025: \$9K
2026 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 2	Invoice for 2024: \$3K
2027 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 1	Invoice for 2025: \$1.5k
Scenario 3				
County funds a Resolut	tion in 2021 but not in any othe	r years, participants disqualify or leave Count	zy in different years	
2021 Resolution \$12K	New Participants Approved: 8			Invoice for 2021: \$12K
2022 Resolution \$0	New Participants Approved: 0	Approved Participants still in the County: 8		Invoice for 2022: \$12K
2023 Resolution \$0	New Participants Approved: 0	Approved Participants still in the County: 7		Invoice for 2023: \$10.5
2024 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 6	Invoice for 2024: \$9K
2025 Sunset	N/A	New Participants Approved: 0	Approved Participants still in the County: 6	Invoice for 2025: \$9K

- 9. In the past years, the KDC has provided a template for the resolution. Is that still available?
 - a. Yes, the template for both county and city resolutions are located at www.Kansascommerce.gov/roz.
- 10. We have a city that is in two counties and one of the counties is not a ROZ county. How do you determine eligibility of the applicant?
 - a. We look the applicant's physical address on the US Postal website. The website shows the official county in which the address falls under. https://tools.usps.com/zip-code-lookup.htm?byaddress
- 11. Does the tax credit include a local match? Does the lack of a resolution also cause people to be excluded from the income tax credit?
 - a. No, the tax credit portion of the program does not require a local match, nor does it require the county to submit a resolution.
- 12. Does the county have to pass a resolution every year?
 - a. Yes, per statute and since the program inception in 2011, a county must submit a resolution every year to participate in the program.
 - b. <u>74-50,223</u>: "Such county shall provide a certified copy of such resolution to the secretary of commerce ...on or before January 1 for each calendar year thereafter, in which a county chooses to participate."
- 13. Is a county allowed to end funding to the ROZ program at any time after it has begun funding?
 - a. Each county resolution is a 5-year comment to new participants that are approved during that calendar year. The county may submit a \$0 resolution the following year (by entering \$0 in section 7) but will still be obligated to complete the 5-year term of any new applicants added during the funded year.
- 14. If a county submits a \$0 county resolution, is the county still eligible to receive the full/maximum \$3,000 a year for the student loans? Or does there have to be some sort of sponsor in the county who will contribute up to the \$1,500 amount before they can get approved.
 - a. There must be a sponsor match of some kind for a person to be fully approved into the student loan program. If there are no county or city sponsors to match, the applicant is put on an "Approved-Waiting Funding" list until a sponsor is located. If the county or city does not locate a sponsor, it is the applicant's responsibility to locate an employer or foundation sponsor.

COUNTY/CITY -SPONSORSHIP OF ROZ APPLICANTS FAQ's

15. If an applicant lives in a both a funding city and a funding county who would the applicant fall under for sponsorship?

a. The application would be processed through the city first. If the city is out of funds, the applicant would be moved to the county level for sponsorship. The applications ask the applicants if they are applying f for city or county sponsorship.

16. Does the amount funded by the sponsor determine how many applicants to be in the program?

- a. The average participant receives a \$1,500 commitment from the sponsor each year for up to 5 years. This changes only if the participant is disqualified or withdraws from the program. Funding limits are in place based on the resolutions for counties and cities; The state will not approve new applications over the budgeted resolution amount. If a county or city finds they have run out of funds and would like to add additional new participants, they may submit an Addendum to their Resolution requesting an increase of funds for that program year.
- 17. Asking counties to adopt a resolution that spends money prior to the next year's budget is a problem for some counties. Should this be reviewed and discussed to ensure it doesn't conflict with budget law?
 - a. ROZ does not track how a county, city, business, or foundation sets its fiscal year or budget.
 - b. All previously designated ROZ counties had the opportunity to submit a funded resolution in January 2021 as they do every year, 74-50,223 (a). Most chose not to send in a resolution as the program was in set to sunset July 1, 2021. We are now allowing previously designated ROZ counties to submit a resolution alongside newly designated counties by June 30 if they would like to opt-in to the ROZ program allowing city, employer, and foundation sponsorships for the remainder of 2021.
 - c. It is the decision of the county on whether they fund the resolution or not. Each county will have to review its budget laws to decide on if the county can allocate money outside of the proposed annual budget.
- 18. What if the applicant has moved from the funding county and the sponsor is not aware of the move?
 - a. KDC requires all participants to submit annual proof of continued domicile due by August 31 every year in order to authorize that year's annual distribution.
- 19. If a county approved a \$0 county resolution, will new residents still be able to receive the income tax credit?
 - a. Yes, if they qualify.
- 20. If a county resolution is not approved, does that also eliminate any city or business from participating in ROZ on their own?
 - a. Correct. No one can participate in the student loan program if the county in which they reside does not opt into the program.
- 21. How do we know who/how many are participating in our county program?
 - a. Sponsors can request reports on the people they sponsor at any time. If no report is requested, they will receive their annual report when the invoice is sent.
- 22. Can a county put in a \$0 resolution to not fund the program, but then choose to be an employer sponsor in the program so that they could sponsor employees but not new citizens?
 - a. Yes. A county can choose to opt-in to the program with a \$0 resolution and choose to become an employer sponsor for their employees.
- 23. Can the city fund at \$1,000 and the county at \$500, or does each entity have to fund at \$1,500? Joint sponsorships for smaller entities in the future.
 - a. The short answer is no we will not accept more than one sponsor for one participant. However, local communities can form partnerships with different sponsor types. But only one sponsor will be the ROZ

COUNTY/CITY -SPONSORSHIP OF ROZ APPLICANTS

FAQ's

administrator for that group. Like a state program liaison, the entity managing the program will receive invoices and reports for that group.

- 24. Can a pool of funds be set up with the foundation to support the local portion? Are there no mechanism for governments and businesses to jointly sponsor someone?
 - a. Local Communities can form partnerships with different sponsor types. But only one only one sponsor will be the ROZ administrator for that group. Like a state program liaison, the entity managing the program will receive invoices and reports for that group. Many counties do this through a foundation. If a community is interested in this type of partnership, please reach out to our office individually to hold a discussion with all interested local parties.
- 25. If our county chooses not to participate this year, can we opt-in next year by adopting a resolution by January 31, 2022?
 - a. Yes, be advised that if the county does not at least submit a \$0 resolution then no one in the county can participate no matter what sponsor type. If you are a new ROZ county, the move-in date for new applicants does not start until a resolution is first signed.
- 26. If a county goes over \$40k, how does that affect a participant that started the program in '21?
 - a. If they are a Student Loan participant and were approved and funded in the program, they are approved for the full 5 years.
- 27. If a person wants to apply for the program being offered by the city or county, do they apply online?
 - a. Please go to www.kansascommerce.gov/roz to apply. Applications are received directly by the KDC ROZ staff for processing. The sponsor will be informed if an applicant applies and the determination of the application. It is very important that there is one designated ROZ contact for the sponsor.