The Rural Opportunity Zone (ROZ)

The Rural Opportunity Zone (ROZ) Program was introduced in 2012. The main goal of the program was to attract residents and businesses to rural areas where population losses have been the steepest. It includes two individual financial incentives that are funded through a single appropriation of $5 million, however they maintain separate eligibility requirements. The program was initially targeted to 50 counties, although it has been expanded in recent years to include 95 counties.

The program consists of two components: (1) a state income tax waiver and (2) student loan repayment assistance, both of which are available for up to five years. In 2021, 77 of the 95 counties offer student loan repayment assistance, and 18 counties only offer the income tax waiver component.

INCOME TAX WAIVER

The five-year state income tax waiver aims to relieve some of the costs associated with an interstate move, such as obtaining a new driver's license, registering and insuring an automobile, paying required deposits for rent and utilities and finding new health care providers, among other things. The tax waiver component of the ROZ program provides a waiver for 100 percent of the participant’s state income tax liability for up to five years.

To qualify for the state income tax waiver, the applicant must meet the following criteria:

- Establish domicile in a ROZ county on or after the date the county was included in the program
- Lived outside the State of Kansas for at least five years prior to establishing domicile in the ROZ county
- Earned less than $10,000 in Kansas-source income in each of the five years immediately prior to establishing domicile in the ROZ county
- Reside in the county from January 1st to December 31st of the year the waiver is requested

STUDENT LOAN REPAYMENT ASSISTANCE

The student loan repayment assistance component of the program aims to help rural businesses and communities recruit people with higher educations and a broader range of skills to fill positions within the area. By partnering with business and county sponsors, Kansas offers eligible individuals up to $3,000 per year, for five years to apply toward their student loans. If an individual's loan balance is less than $15,000, she/he receives 20 percent of the loan balance paid each year for 5 years. For example, a person with $10,000 in student loan debt would receive $2,000 per year, for five years.

To qualify for student loan repayment assistance, an applicant must meet the following criteria:

- Establish domicile in a ROZ county after July 1, 2011, and on/after the date on which the county opted in to the student loan program
- Hold an associate, bachelor's, or postgraduate degree prior to moving to a ROZ county
- Have an outstanding student loan balance in applicant’s name
- Be able to provide proof of residency at current and previous addresses, proof of degree, proof of student loan balance with distribution dates, and a Kansas Tax Clearance Certificate
- Have a county or employer sponsor. An applicant must have a sponsor to receive funding from the state.

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4,220 TOTAL APPLICATIONS

1,874 STUDENT LOAN PARTICIPANTS ALL TIME

370 CURRENTLY ACTIVE

463 COMPLETED 5 YEARS

533 WITHDREW - NEVER FUNDED

74 WITHDREW - PAID LOANS OFF EARLY

437 DISQUALIFIED

148 WAITING FOR SPONSOR

77 COUNTIES ACTIVELY PARTICIPATING IN STUDENT LOANS
A Closer Look at Our Survey Participants

Primary reason for moving to a Rural Opportunity Zone

- Farming: 33%
- Family: 5%
- Fulfill Local Need: 25%
- Lifestyle Change: 10%
- Religious Work: 20%
- Returning Home: 15%
- Relationship: 15%
- Start a Business: 5%
- Student Loan Assistance: 5%
- Work: 15%

Number of Participants

Born in Kansas?
- Yes: 70.8%
- No: 29.2%

Previous Kansas Resident?
- Yes: 70.5%
- No: 29.5%

Attended a Kansas College
- Yes: 68.9%
- No: 31.1%

Top Employment Industries

- Agriculture: 13.2%
- Health Care: 20%
- Education: 23.8%
- Business Professional: 8.6%
- Other: 26.2%
- Law: 3.8%
- Banker: 4.3%

Would have moved out of county without ROZ
- Yes: 83.8%
- No: 16.2%