

Approved \_\_\_\_\_  
Date

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS

The meeting was called to order by Senator August "Gus" Bogina at  
Chairperson

12:30 a.m./p.m. on April 11, 1986 in room 123-S of the Capitol.

All members were present except:  
Senator Doyen

Committee staff present:

Research Department: Robin Hunn, Mary Galligan, Scott Rothe  
Revisor's Office: Norman Furse, Avis Swartzman  
Committee Office: Judy Bromich, Doris Fager

Conferees appearing before the committee:

Clantha McCurdy, Associate Director For Student Financial Aid, Board of Regents  
Robert Kelly, Kansas Independent College Association  
Father Ray Davern, Donnelly College, Kansas City  
Chris Graves, ASK  
Barbara Lombrand, ASK  
Craig Grant, KNEA (By written testimony)  
John Peterson, Kansas Association of Private Career Schools  
Michelle Pulford, Student, Platt College

INTRODUCTION OF BILL

Senator Feleciano presented a bill draft (RS 2902) concerning issuance of general obligation bonds (a special bill for the City of Halstead ballot by mail election). Motion was made by Senator Feleciano and seconded by Senator Talkington to introduce the bill as requested. The motion carried by voice vote.

HB 2671 - Tuition grants, determination of maximum amount of awards to qualified students. Proposal No. 43

Ms. McCurdy appeared for the Board of Regents in support of HB 2671. She presented her testimony in Attachment A. There were questions from committee members following her presentation.

Mr. Kelly distributed brochures concerning the contents of HB 2671. (See Attachment B) He discussed the bill, noting that the amount of tuition grants will be set by appropriation. Answering questions from committee members, he said that every needy student who applies receives a tuition grant at this time, and that policy will not change. He said that all the measure before the committee provides is (1) if there are additional funds, the maximum can be raised as much as possible, but everyone will be funded and (2) the State of Kansas has a policy of funding up to half the difference between tuition at private colleges and state universities.

Father Davern said he endorses and supports the bill; and he feels it is a fair formula for state support for students in private schools.

Motion was made by Senator Harder and seconded by Senator Feleciano to report HB 2671 favorably for passage. The motion carried by roll call vote.

HB 3003 - State scholarships, eligibility period of state scholars for award

Ms. McCurdy represented the Board of Regents, and appeared as an opponent to HB 3003. (Attachment C) There were questions from committee members and a short discussion concerning provisions of the bill.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS,  
room 123-S Statehouse, at 12:30 a.m./p.m. on April 11, 1986.

HB 3003 - Continued

Ms. Graves introduced Ms. Lombrand, Campus Director, Pittsburg State University, ASK. Ms. Lombrand presented her testimony (Attachment D) and members of the committee were given opportunity to question her.

Motion was made by Senator Winter and seconded by Senator Feleciano to report HB 3003 favorably for passage. The motion carried by roll call vote.

HB 3027 - State moneys, fee agency accounts

Mr. Furse explained the proposal, and committee members questioned him. No action was taken on HB 3027.

HB 2267 - Aid for students at private trade schools

Mr. Peterson explained that HB 2267 provides for tuition grants for high school graduates who want to attend an independent nationally accredited trade school and would be subject to available appropriations for that program only.

When asked by Senator Winter if these schools provide the same kind of training available at community colleges and vocational technical schools, Mr. Peterson said that this would be true in some cases. However, this allows students to attend independent institutions.

Senator Feleciano asked Mr. Peterson if he had visited with the Secretary of the Department of Human Resources about the possibility of using JTPA funds for this program. Mr. Peterson said he had done so, and would continue to pursue that avenue if HB 2267 becomes law.

Ms. McCurdy indicated that the Board of Regents maintains a neutral position regarding this measure, but will administrate the program if the bill is passed.

Ms. Pulford said she is a student at Platt College in the business department. She explained that this is a one-year accredited school. She said she does not feel students should be discriminated against because they are attending a one-year school. She noted that these students have financial needs the same as those at other schools.

Motion was made by Senator Gannon and seconded by Senator Kerr to amend HB 2267 on line 274 by inserting after the word "lay-offs" the words "or discontinuance of agricultural operations." The motion carried by voice vote.

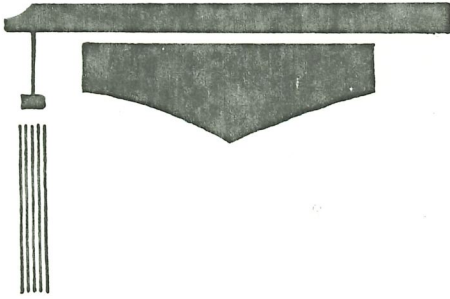
Motion was made by Senator Winter and seconded by Senator Werts to provide that no State General Fund money shall be used for this program. The motion carried by voice vote.

Motion was made by Senator Gannon and seconded by Senator Feleciano to make the necessary technical amendments to HB 2267, and to report the bill favorably as amended as Senate Substitute for HB 2267. The motion carried by roll call vote.

SB 431 - Compensation for State Legislators

Motion was made by Senator Feleciano and seconded by Senator Gannon to amend SB 431 in line 69 after "month" by adding "except for the months of January, February and March"; and to report SB 431 as amended favorably for passage. The motion carried by roll call vote.

The meeting was adjourned by the Chairman.



# KANSAS BOARD OF REGENTS

Suite 609      Capitol Tower      400 S.W. Eighth  
Topeka, Kansas 66603      Telephone (913) 296-3421

April 11, 1986

TESTIMONY - House Bill 2671  
Kansas Tuition Grant Program

Mr. Chairman and members of the Committee. Thank you for this opportunity to appear before you today. I am Clantha McCurdy, the Associate Director for Student Financial Aid for the Board of Regents. I am here to express our support for House Bill 2671.

The Board of Regents fosters the concept of providing options to students for higher education. The Kansas Tuition Grant Program offers needy students in Kansas the chance to make a choice.

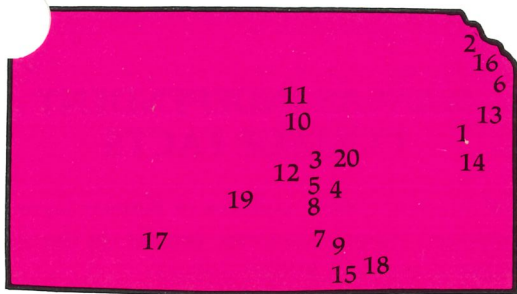
You are aware of the increases in higher education over the past several years across the nation. Kansas is not excluded from this list. The rise in educational costs causes us to focus on the original intent and purpose of the Tuition Grant Program, that of helping to off-set the high cost of tuition and fees at private institutions, placing the cost of attendance in range for for financially needy students.

The "halve the gap" concept of House Bill 2671 helps to bring the Tuition Grant Program back to its original purpose. The Board of Regents supports this concept. It is important for me to point out that only a portion of the total educational cost is met by the Tuition Grant Program. Most students rely on assistance from other financial aid programs to fully fund their education.

With the average cost of attendance at private colleges for tuition/fees, room and board, books and supplies for two academic semesters exceeding 8,500 compared to 5,500 at public institutions, it is reasonable for Kansas to consider an increase in the Tuition Grant award.

Thank you for this opportunity to speak to you today. I will be happy to answer any questions.

A  
S.W.M.  
4-11-86



## Kansas Independent Colleges

1. BAKER UNIVERSITY  
Baldwin City
2. BENEDICTINE COLLEGE  
Atchison
3. BETHANY COLLEGE  
Lindsborg
4. BETHEL COLLEGE  
North Newton
5. CENTRAL COLLEGE  
McPherson
6. DONNELLY COLLEGE  
Kansas City
7. FRIENDS UNIVERSITY  
Wichita
8. HESSTON COLLEGE  
Hesston
9. KANSAS NEWMAN COLLEGE  
Wichita
10. KANSAS WESLEYAN  
Salina
11. MARYMOUNT COLLEGE OF KANSAS  
Salina
12. McPHERSON COLLEGE  
McPherson
13. MID-AMERICA NAZARENE COLLEGE  
Olathe
14. OTTAWA UNIVERSITY  
Ottawa
15. ST. JOHN'S COLLEGE  
Winfield
16. SAINT MARY COLLEGE  
Leavenworth
17. SAINT MARY OF THE PLAINS COLLEGE  
Dodge City
18. SOUTHWESTERN COLLEGE  
Winfield
19. STERLING COLLEGE  
Sterling
20. TABOR COLLEGE  
Hillsboro

For additional copies  
or more information, contact:

### KANSAS INDEPENDENT COLLEGE ASSOCIATION

515 Capitol Federal Building  
Topeka, Kansas 66603  
(913) 235-9877

Dr. Robert Kelly, Executive Director

# HALVE THE GAP

Set the maximum Kansas tuition grant at an amount not to exceed one-half the difference between tuition and fees at the independent colleges and at the public universities.



*S. W + M*

*B*

*4-11-86*

## TUITION GRANT FACTS

The program provides a grant to any student who meets **all** of the following criteria:

- Kansas resident
- Full-time student with at least a "C" average
- Attending fully-accredited Kansas independent college
- Judged to be financially needy using national needs analysis standards

The program was enacted to serve the following public purposes:

- **Freedom of Choice** – Helps Kansans with financial need to attend the college of their choice without as much regard to tuition price differentials.
- **Market Competition** – Provides for more competition among all Kansas colleges for Kansas students.
- **Avoidance of Direct Institutional Subsidies** – Only those Kansas independent colleges that are attractive to Kansas students benefit.
- **Fairness** – Only students with financial need receive grants.
- **Market Diversity** – Kansans can choose among 48 public and independent fully accredited colleges. These colleges vary greatly in size and mission.

## TUITION GRANT FUNDING HISTORY

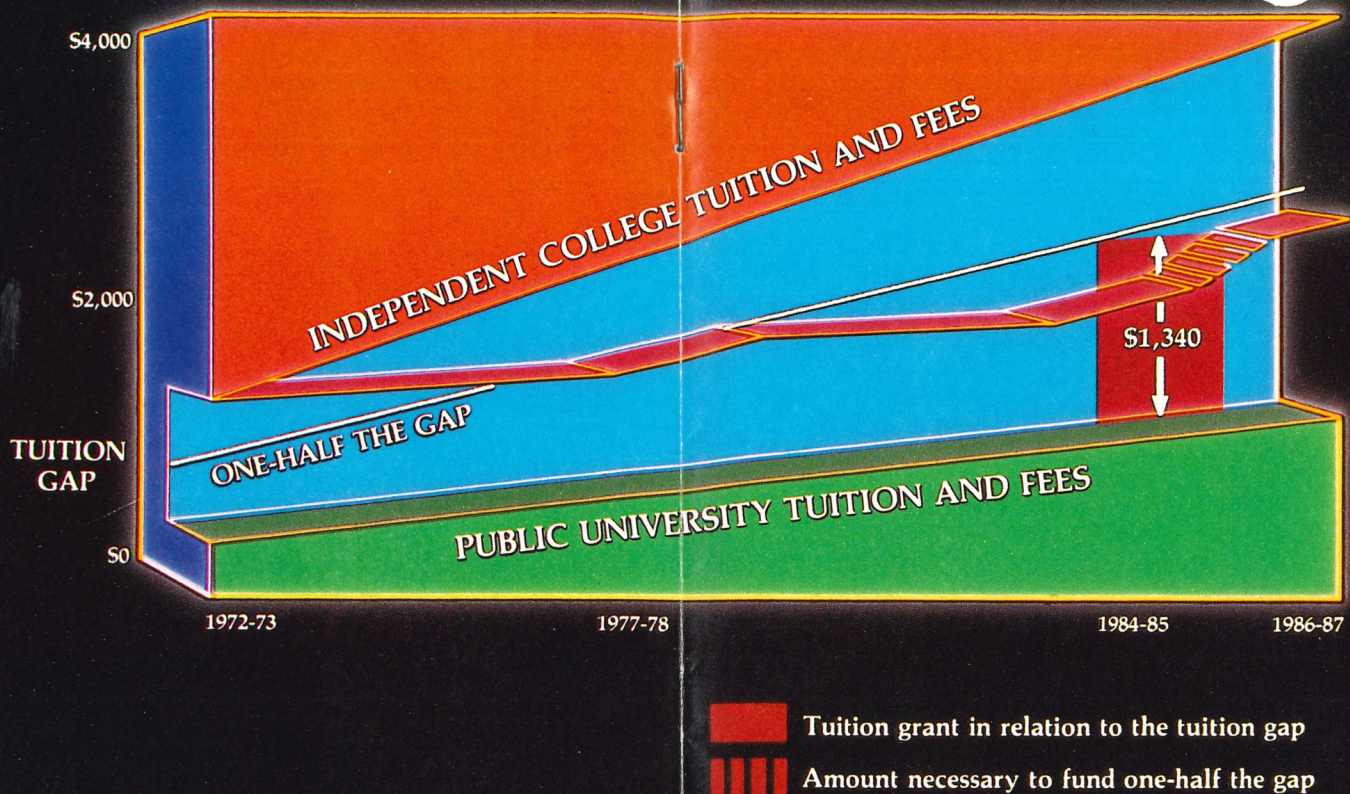
Year	Appropriation	Recipients	Amount Awarded
1972-73	\$1.0 Million	1,118	\$ 999,026
1973-74	\$2.5 Million	2,703	\$2,329,286
1974-75	\$2.5 Million	2,797	\$2,507,864
1975-76	\$2.9 Million	3,231	\$2,867,826
1976-77	\$3.4 Million	3,486	\$3,329,937
1977-78	\$3.5 Million	3,757	\$3,498,218
1978-79	\$3.675 Million	3,730	\$3,648,428
1979-80	\$3.8 Million	4,663	\$3,800,000
1980-81	\$4.125 Million	3,887	\$4,151,734
1981-82	\$4.125 Million	4,026	\$4,113,495
1982-83	\$4.008 Million	3,970	\$3,929,981
1983-84	\$3.950 Million	4,001	\$3,953,044
1984-85	\$4.1 Million	4,216	\$4,074,883
*1985-86	\$4.35 Million		
*1986-87	\$4.925 Million (requested)		

## HIGHLIGHTS

- Enacted in 1972 with minimal appropriation. It was designed to meet the gap between public and independent college tuitions.
- Funded at \$1,000 maximum grant from 1973-74 to 1976-77.
- Maximum grant raised to \$1,200 in 1978 for entering freshmen. This was to be phased in over four years.
- Maximum grant reduced to \$1,100 by administrative action in 1982.
- Maximum grant raised to \$1,150 in 1984.
- Maximum grant raised to statutory maximum of \$1,200 in 1985.
- From 1972-1985 public university and independent college tuitions both rose by 270%. The maximum tuition grant rose by only 20%.

\* Brown-Mackie College became eligible for the Kansas Tuition Grant program in 1985, requiring a \$50,000 set-aside in 1985-86 and a requested \$150,000 set-aside in 1986-87.

# TUITION GRANT AND THE TUITION GAP



## Why we should "halve the gap"

- The tuition grant was originally designed to meet 100% of the tuition gap in order to equalize competition. Today it covers only 45% of the gap.
- The present grant maximum is \$1,200, an increase of only \$200 in eleven years.
- The Kansas Board of Regents recommends that the maximum grant for 1986-87 be one-half of the 1984-85 gap – \$1,340. This was the most recent year for which final tuition and fees are available.

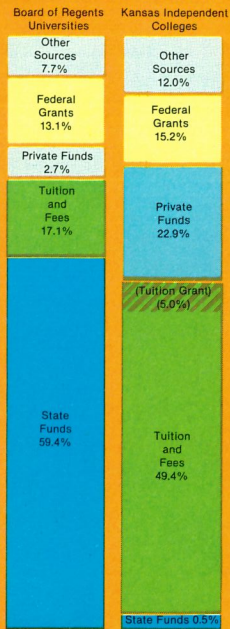
## After the gap has been "halved"

- The grant amount will be based on a comparison of costs rather than being an arbitrary amount.
- The Kansas legislature will still be totally in control of the program appropriations.
- Independent college parents and students will still have to contribute the remaining one-half of the gap.
- The tuition grant will still be limited to fulltime Kansas resident students with financial need.

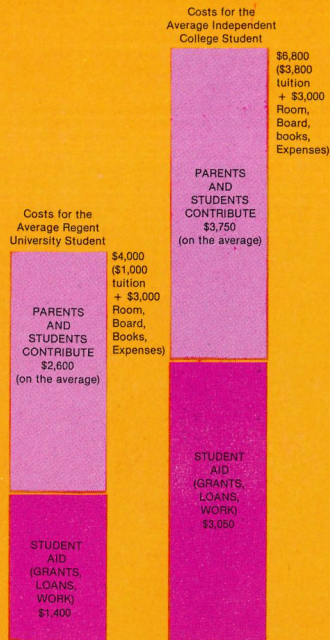
# THE ECONOMICS OF KANSAS HIGHER EDUCATION

## ADDITIONAL REVENUES SOURCE, 1983-84

Board of Regents (\$369 million) — Kansas Independent Colleges (\$73 Million)



## MEETING STUDENT COSTS



## KANSAS INDEPENDENT COLLEGE FACTS

- The 20 independent colleges of Kansas have a combined annual economic impact on the state in excess of one-half billion dollars.
- The independent colleges award 18% of the state's baccalaureate degrees and 10% of the state's associate degrees.
- There are 35,000 living Kansas alumni of the independent colleges.
- According to a 1984 study, the independent colleges produce a higher percentage of doctoral recipients than do the Regent universities.
- The independent colleges award degrees to 20% of their students compared with 15% for the public universities and 10% for the community colleges.
- The independent colleges enroll a larger percentage of minority students than do the Regent universities.
- The independent colleges provide invaluable social and cultural benefits to the communities in which they are located and to the state as a whole.
- The independent colleges are an integral part of Kansas' heritage. Fifteen of these colleges have been in existence for more than 75 years.

## HIGHLIGHTS

- State funding covers 60% of the Regent universities' budgets.
- Independent college revenues depend heavily on tuition (one-half) and private gifts (one-quarter). These amounts, which must be raised annually, together comprise one-fifth of the Regent universities' budgets.
- The Tuition Grant program represents 10% of tuition and 5% of revenues.
- Independent college tuition prices are higher because there is little state funding.
- Because tuitions are higher, independent college students receive more student aid.
- Independent college students and parents have to contribute, from their own resources, nearly 50% more than Regent university students.

# Editorials/Opinion

© 1986 Wichita Eagle and Beacon Publishing Co

## As We See It:

### Independent Colleges Deserve Boost

THE independent colleges of Kansas have contributed mightily to the health and prosperity of the state, over the years, and they deserve all the help they can get. That's why the proposal to set a more realistic ceiling for tuition grants to Kansas independent college students makes such eminent good sense. It's been endorsed by Gov. Carlin, by the Kansas Board of Regents, and by the Legislative Educational Planning Committee — the interim committee that drafted House Bill 2671, now before the House Education Committee.

The committee, traditionally a supporter of educational excellence, should have no hesitation in passing the bill to the House floor. Anyone who counts himself or herself a friend of higher education in the state — including, we would anticipate, the 18 members of Sedgwick County's House delegation — certainly should support the bill. When the Kansas Tuition Grant Program was created in 1972, the idea was that a minimal state appropriation would pay the difference in cost between public and independent college tuitions. Then, 14 years ago, that differ-

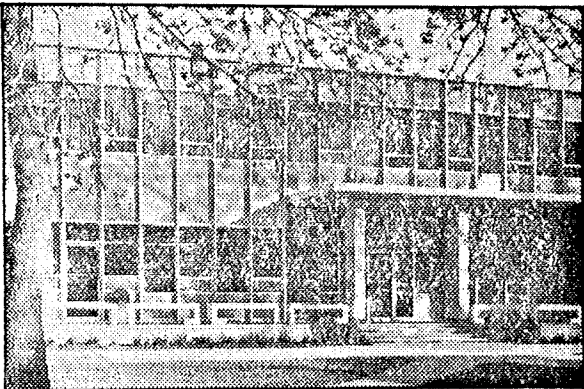
ence was about \$1,000, and that was the ceiling set for the program.

The ceiling has been adjusted several times since, and currently stands at \$1,200. (That doesn't mean the program is funded at that level; that's just the maximum — the ceiling — at which it may be funded.) Instead of bridging the funding gap, as was the original legislative intent, today's ceiling represents only 45 percent of the gap.

While paying the entire difference between public and independent college tuitions may be excessive today, given the recently catapulting costs of those tuitions, it's not unreasonable to expect the state to pay a maximum of half the difference. Independent college students and their parents still would have to pay the other half, but at least the cost of attending one of the state's independent schools wouldn't be prohibitive, as it might be otherwise for some.

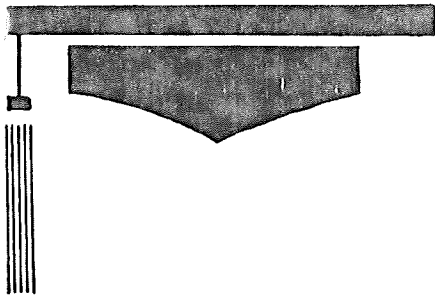
That's what H.B. 2671 would do: "halve the gap" between public and independent tuitions, so those students for whom a large public institution might not be the answer could continue their educations in Kansas. The maximum grant for the 1986-87 fiscal year, then, would be half the 1984-85 gap, or \$1,340. (Again, that would be only the authorized ceiling; the amount still would have to be set by the Legislature.)

We're not talking about large amounts of money here; we are talking about strengthening an educational system that, partly because of its great diversity, has prospered Kansas since the days of statehood. That's in the interest of every Kansan, for now and many years to come.



Ottawa University: One of the beneficiaries





# KANSAS BOARD OF REGENTS

Suite 609      Capitol Tower      400 S.W. Eighth  
Topeka, Kansas 66603      Telephone (913) 296-3421

April 11, 1986

## TESTIMONIAL SUMMARY

House Bill 3003 - State Scholarship Program  
Clantha McCurdy, Associate Director  
Student Financial Aid

House Bill 3003 is before you for consideration of extending the eight semester eligibility of State Scholarship funds to ten semesters for students enrolled in five year degree programs. In the best interest of the State Scholarship Program, it is the position of the Board of Regents office not to support this recommendation for the following reasons:

- (1) fifth year programs, limited in the Regents institutions and the state, have been in existence since the beginning of the State Scholarship Program in 1963. It has been the purpose of the program to provide a maximum of eight semesters of assistance to as many bright students as possible. Thus, it appears that the issue here is whether to provide scholarships for the completion of programs or provide eight semesters of assistance to as many high ability students as possible. The eight semester statement has been written in statute and operational since the beginning of the program. It therefore appears that the state tends to support as many students as possible for a maximum of eight semesters.
- (2) To support some students for ten semesters means that others will not be supported for eight semesters. Each year more students apply for State Scholarships than there are funds available. This is especially important when federal support from the State Student Incentive (SSIG) program is expected to decrease.
- (3) Many students take four and one half to five years to complete a degree program. For

S.W.M

C  
4-11-86

many, a significant, yet valid reason can be presented for this extra enrollment period. However, to reward only those enrolled in a five year program and ignore the other valid reasons for five years does not seem fair or reasonable.

- (4) The ten semester plan would, in most cases, automatically exclude community college students. The Board of Regents office does not wish to be in the position of recommending a program or action that would hinder the articulation of programs for students between the two levels of education.

In closing, may I add that the State Scholarship Program was not designed to be everything to everybody. It seems unreasonable to grant eligibility for two more semesters to certain people when there is not enough money to support the current pool of eligible applicants.



## ASSOCIATED STUDENTS OF KANSAS

Suite 608, Capitol Tower 400 W. 8th  
Topeka, Kansas 66603  
(913) 354-1394

### TESTIMONIAL SUMMARY

TO: MEMBERS OF THE SENATE WAYS AND MEANS COMMITTEE  
FROM: BARBARA LOMBRANO, CAMPUS DIRECTOR, PITTSBURG STATE UNIVERSITY, THE ASSOCIATED STUDENTS OF KANSAS (ASK)  
DATE: APRIL 11, 1986  
SUBJECT: HB 3003 - AN ACT CONCERNING STATE SCHOLARSHIPS; AFFECTING THE PERIOD OF ELIGIBILITY OF STATE SCHOLARS FOR THE AWARD

On behalf of the student government associations of the seven public universities, I would like to explain why ASK strongly supports HB 3003, a bill which would extend eligibility for an additional two semesters for students enrolled in programs requiring that additional time to complete.

-- The state scholarship program was established in 1963 as a way to keep "the best and brightest" students in Kansas. Awards of up to \$500 could be made if a student demonstrated achievement as measured by the ACT exam, and financial need. To renew the scholarship, recipients had to maintain a 2.5 G.P.A. and demonstrate need.

Last session, the maximum award was increased from \$500 to \$1000. Students must still demonstrate achievement and need. To renew the scholarship, recipients must now maintain a 3.3 G.P.A.

-- When the Program was established in 1963, most undergraduate programs were considered 4 years, or 8 semesters, in length. Now however, some programs are considered 5 years, or 10 semesters, in length. Examples of such programs are Interior Design, Architecture, some Engineering programs, Pharmacology, even Teacher Education.

-- These programs have not become 5 years in length because students are taking fewer hours each semester and therefore take longer to complete the curriculum. More college hours are required. These additional 2 semesters have become the standard for graduation, licensure, certification, even accreditation for the university.

-- Eligibility for many student aid programs expire after the 8th semester. To give an example, teacher education students at KU receive a degree after their 4th year, but cannot be certified or recommended for certification until after the fifth year. Because they receive a degree, they are ineligible for undergraduate student aid; however, they are equally ineligible for graduate assistance since they are not classified as "graduates."

--ASK feels HB 3003 is simple equity. If a student can demonstrate academic achievement and financial need throughout an academic program, the length of which is prescribed by the university, eligibility for a state scholarship program should extend through the academic program.

-- HB 3003 has NO FISCAL NOTE. HB 3003 is a policy matter; however, if consideration of the former brings in the latter, if given the choice of awarding limited funds to a 5th year student or a freshman, please consider that

Representing the Students of:

Emporia State • Fort Hays State • Kansas State • Pittsburg State • University of Kansas • Washburn University • Wichita State

*S. W + M*

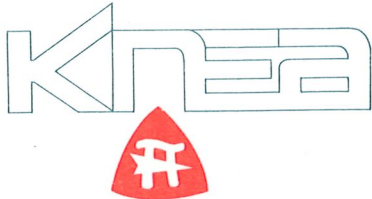
*D*

*4-11-86*

the 5th year student has a proven track record of dedication and achievement in their collegiate career. They have demonstrated their ability at the university. And nothing precludes the freshman from applying for the award the following year as a sophomore. Also, freshman are more likely to have more personal resources and parental assistance. Fifth year students, who are at least 22 years of age, can rely less on parental support and, by the final year, have often exhausted personal resources.

-- This matter is among the highest priorities for ASK this legislative session. WE WOULD GREATLY APPRECIATE YOUR SUPPORT.

Thank you for your time and consideration!



Craig Grant Testimony Before The  
Senate Ways & Means Committee  
April 11, 1986

Thank you, Mr. Chairman. Members of the Committee, my name is Craig Grant and I represent Kansas-NEA. I appreciate this chance to speak to you about HB 3003.

Kansas-NEA supports HB 3003 with its provision to extend to a fifth year the eligibility for state scholarships for those whose program would require a five year time to complete. We are especially interested because of the introduction of a five year teacher preparation program at the University of Kansas. Since we are trying to encourage rather than discourage quality students to go in to the education field, this bill might keep some students from choosing other programs which are four year rather than five year programs.

Kansas-NEA hopes that the Senate Ways & Means Committee will report HB 3003 favorably for passage. Thank you for listening to our concerns.