

Approved: March 23, 1992  
Date

## MINUTES OF THE HOUSE COMMITTEE ON EDUCATION.

The meeting was called to order by Chairperson Rick Bowden at 3:30 p.m. on March 19, 1992 in Room 519-S of the Capitol.

All members were present except:

Representative Hensely - Excused  
Representative Blumenthal - Excused  
Representative Wiard - Excused

Committee staff present: Dale Dennis, Board of Education  
Ben Barrett, Legislative Research  
Avis Swartzman, Revisor of Statutes Office  
Shirley Wilds, Secretary to the Committee

Conferees appearing before the committee:

Representative Sheila Hochhauser  
Ted D. Ayres, , General Counsel - KS Board of Regents

The meeting was called to order by Chairperson Rick Bowden.

Representative Amos made a motion that committee minutes for March 2, 3 4 and 5 be approved; Seconded by Representative Jones. Motion carried.

### **Disussion and Action on SB 545:**

Representative Crumbaker moved to pass SB 545 favorably ; Seconded by Representative Harder. Motion carried.

### **Discussion and Action on SB 468:**

Representative Crumbaker moved to pass SB 468 favorably; Seconded by Representative Praeger. Motion carried.

### **Discussion and Action on SCR 1631:**

Representative Pottorff moved to pass SCR 1631 favorably; Seconded by Representative White. Motion carried.

### **Hearing on HB 2038:**

**Representative Hochhauser.** Representative Hochhauser appeared before the Committee at the request of the Kansas State University Classified Senate. She stated many classified employees at KSU are interested in the opportunity to further their education, and are suggesting a proposed amendment to HB 2038 to render the cost negligible. (*Lines 19-22 on Page 1[b] would read The Board of Regents shall provide for enrollment on a space-available basis at the state educational institutions, without charge of tuition, of persons who are full-time employees of a state educational institution.*) Representative Hochhauser provided a list of employee tuition benefits provided at other Big Eight schools. (See Attachment #1.)

**Ted D. Ayers.** Speaking in opposition to HB 2038 on behalf of the Board of Regents, Mr. Ayres reported he supports the concepts of the bill, but the potential negative impact on university budgets must be considered. He provided a document giving data on budgetary contributions made by student tuition over a ten-year period from 1982-1992. (See Attachment #2.)

Chairman Bowden announced discussion and action of HB 3139 will be briefly postponed as he studies appropriate language for the bill and the committee will address the issue next week.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON EDUCATION, Room 519-S Statehouse, at 3:30 p.m. on March 19, 1992.

The next meeting is scheduled March 23, 1992 at 3:30 p.m. in Room 519-S Statehouse.

Upon completion of its business, the meeting adjourned at 4:30 p.m.



SHEILA HOCHHAUSER  
 REPRESENTATIVE, 66TH DISTRICT  
 1636 LEAVENWORTH  
 MANHATTAN, KANSAS 66502  
 (913) 539-6177 HOME  
 (913) 296-7657 TOPEKA OFFICE



TOPEKA

HOUSE OF  
 REPRESENTATIVES

March 19, 1992

TESTIMONY ON  
 HOUSE BILL 2038

COMMITTEE ASSIGNMENTS  
 MEMBER: APPROPRIATIONS  
 JUDICIARY  
 LEGISLATIVE EDUCATIONAL  
 PLANNING COMMITTEE  
 RULES AND JOURNAL

Mr. Chairman, members of the committee

Thank you for the opportunity to appear before you today to testify in support of H.B. 2038. I appear before you at the request of the Kansas State University Classified Senate. Many classified employees at KSU want the opportunity to further their education. They believe that additional education will help to make them more effective employees in their current positions, as well as to prepare them for advancement in the classified system.

Questions about the cost of HB 2038 have arisen. KSU classified employees are aware of the state's fiscal picture, and they want to be fair and reasonable. The classified senate proposes to amend H.B. 2038 in such a way as to render the cost negligible. They propose to limit the bill to a tuition waiver for full-time employees only and only on a space available basis. Thus, if a class had space available for 20 students and only 15 enrolled, 5 employees might enroll and fill the space without charge. This would result in no loss of tuition revenue to the university.

The proposed amendment would be lines 19-22 on page 1. The new lines would read as follows:

- (b) The board of regents shall provide for enrollment on a space available basis at the state educational institutions, without charge of tuition, of persons who are full-time employees of a state educational institution.

I have for you a list of employee tuition benefits provided at other

*Education  
 Attachment #1  
 3/19/92*

Big Eight schools. I believe this amended proposal is well in line with the other schools.

Our state employees deserve this boost to their benefits, especially in a year when salary increases are in doubt. I urge you to pass H.B. 2038 with ~~amendments~~ amendments favorably.

Atch # 1-2

This information is from the Salaries and Fringe Benefits Committee report of May 1990. This committee is a sub-committee of the Faculty Senate of Kansas State University.

\*Tuition benefits provided by other big eight schools:

SCHOOL	TUITION REMISSION OR REDUCTION FOR FACULTY AND/OR STAFF	TUITION BENEFITS FOR SPOUSES AND/OR DEPENDENT CHILDREN
University of Colorado	6 hours a year of free tuition for full-time permanent faculty and staff.	After 3 yrs., if eligible, children may get a \$350.00 scholarship per semester
Iowa State	Professional (non-faculty) & classified may be reimbursed for completing a class; grant program depends how many apply, nothing for faculty.	None for spouse and children.
University of Missouri	Faculty and Staff 75%. Full-time employees get 75% tuition reduction, with permission during working hours.	None for spouse and children.
University of Nebraska	Faculty and Staff pay \$1.00 per credit up to 15 hrs. per year.	None for spouse and children.
Oklahoma State	50% waiver for Faculty and Staff up to 6 credits a semester.	None for spouse and children.
University of Oklahoma	50% of general fee up 6 hours (13 hrs. in summer) for Faculty & Staff, Facility and health fees are waived.	None for spouse and children.

Attach #1-3

#2

The Testimony of

Ted D. Ayres  
General Counsel  
Kansas Board of Regents

before  
THE HOUSE COMMITTEE ON EDUCATION  
1992 Legislative Session

in re  
House Bill 2038

3:30 p.m.  
March 19, 1992  
Room 519-S  
Kansas Statehouse

Education  
Attachment #2  
3/19/92

Chairperson Bowden and Members of the Committee;

My name is Ted D. Ayres and I am General Counsel to the Kansas Board of Regents. I am here this afternoon representing the Board of Regents.

While I appear in support of the concepts embodied in House Bill 2038, I must express opposition to House Bill 2038. I also want to advise you that the Board's Committee on Tuition and Fees is currently reviewing this concept.

One of the areas that the Board's Committee on Tuition and Fees is reviewing is what, if any, parameters should be placed on a "tuition waiver" program. They are considering a number, but two which I think are extremely important are: (i) limiting the benefit to full-time, benefit eligible positions, and (ii) that the "tuition waiver" benefit be offered only on a space-available basis.

The Board and our universities are aware that our employees have a strong interest in this idea. Nevertheless, the potential negative impact[s] on university budgets must be considered by the Board and the Legislature. In this regard, I have attached a document which graphically reflects the budgetary contribution made by student tuition over a ten-year period from 1982-1992.

I appreciate this opportunity to provide information and share discussion on this matter with members of the Committee. I appreciate your taking time to consider my comments. I will stand for questions.

*Attach #2-2*



TABLE I

## COMPARISON OF REGENTS SYSTEM FUNDING INCREASES BY SOURCE OF FUNDS

## FY 1992 OVER FY 1982

	<u>Actual FY 1982</u>	<u>Budgeted FY 1992</u>	<u>\$ Increase</u>	<u>% Increase</u>
State General Fund	\$258,580,291	\$389,063,573	\$130,483,282	50.5%
General Fees Funds (tuition)	56,176,294	129,514,359	73,338,065	130.5%
Hospital Revenue Funds	45,711,974	109,810,000	64,098,026	140.2%
Other General Use Funds	<u>5,746,892</u>	<u>13,377,665</u>	<u>7,630,773</u>	<u>132.8%</u>
Total - General Use Funds	\$366,215,451	\$641,765,597	\$275,550,146	75.2%
Restricted Use Funds	<u>164,507,737</u>	<u>295,545,406</u>	<u>131,037,669</u>	<u>79.7%</u>
Total Operating Budget	\$530,723,188	\$937,311,003	\$406,587,815	76.6%

*General Use expenditures for Regents institutions increased by \$275.6 million (75.2 percent) between fiscal year 1982 and 1992. Slightly less than half of that General Use increase was from the State General Fund. Tuition and hospital revenues increased by a combined total of \$137.4 million during the period, while State General Fund expenditures increased by \$130.5 million (50.5 percent). Therefore, State General Fund support of the Regents General Use budget declined from 71 percent, during FY 1982, to 61 percent during FY 1992.*

TABLE IV

## ANNUAL UNDERGRADUATE TUITION AND MANDATORY FEES AT KANSAS UNIVERSITIES

FY 1982 - 1992

	<u>KU</u>	<u>KSU</u>	<u>WSU</u>	<u>ESU</u>	<u>PSU</u>	<u>FHSU</u>
Resident						
1982	\$ 918	\$ 898	\$ 912	\$ 718	\$ 696	\$ 795
1992	\$1,662	\$1,699	\$1,766	\$1,491	\$1,450	\$1,547
% Increase	81.0%	89.2%	93.6%	107.7%	108.3%	94.6%
Non-Resident						
1982	\$2,234	\$2,214	\$2,228	\$1,512	\$1,490	\$1,590
1992	\$5,340	\$5,377	\$5,444	\$4,005	\$3,964	\$4,061
% Increase	139.0%	142.9%	144.3%	164.9%	166.0%	155.4%

TABLE IV-A

## RATIO OF TUITION REVENUES TO EDUCATIONAL COSTS

FY 1982 - FY 1992

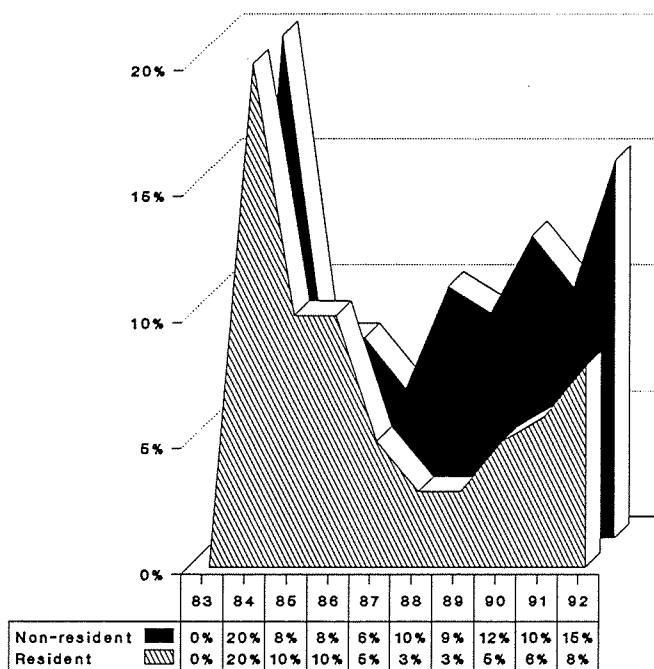
	<u>FY 1982</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992 (Est.)</u>
Doctoral Institutions	24.2%	27.4%	28.8%	29.7%	29.4%	29.6%	31.1%	32.8%
Regional Institutions	17.1%	20.0%	21.4%	21.8%	21.2%	21.2%	21.8%	23.3%
Systemwide	22.6%	25.8%	27.2%	28.0%	27.6%	27.8%	29.1%	30.8%

As earlier detailed in Table I, significant additional tuition revenues have been generated during the past ten years. Although some of the revenue growth occurred due to increased enrollments, most was the result of increased tuition rates. Table IV identifies the 10 year increase in combined tuition and fees at each institutions. The increases for only tuition are displayed graphically by Figure IV. More importantly, from a statewide budgeting perspective, is the impact of that revenue on educational costs at our institutions. Tuition revenues as a percentage of educational expenditures in the Regents system have increased from 22.6 percent in FY 1982 to 30.8 percent in FY 1992. At the larger institutions the rate is now approximately one-third.

# TEN-YEAR HISTORY OF TUITION INCREASES REGENTS INSTITUTIONS FY 1983 - FY 1992

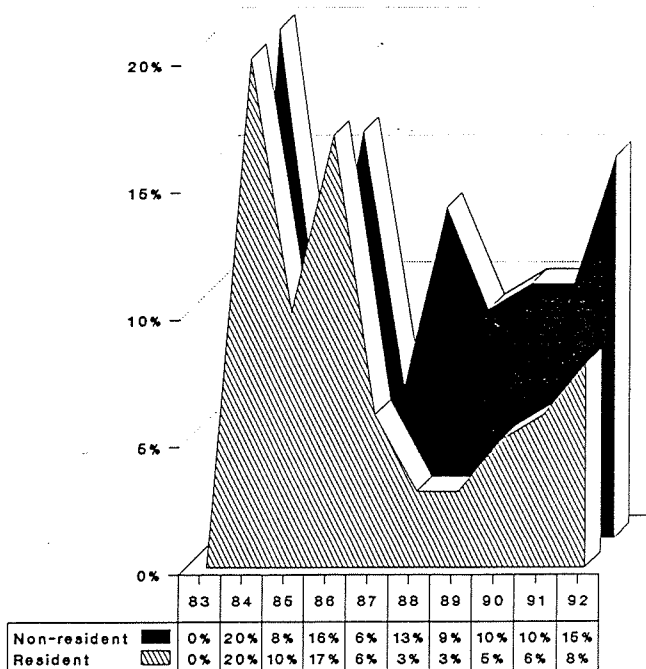
## DOCTORAL LEVEL INSTITUTIONS

10 Yr. Tuition Increase  
FY 1992 over FY 1983  
• Resident - 93.6%  
• Non-resident - 150.1%



## REGIONAL INSTITUTIONS

10 Yr. Tuition Increase  
FY 1992 over FY 1983  
• Resident - 111.2%  
• Non-resident - 174.1%



Attach # 2-5