

Approved: _____

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Date

MINUTES OF THE SENATE COMMITTEE ON EDUCATION

The meeting was called to order by Chairperson Barbara Lawrence at 9:00 a.m. on January 28, 1998 in Room 123-S of the Capitol.

All members were present except: Senator Hensley - Excused
Senator Jones - Excused
Senator Umbarger - Excused

Committee staff present: Ben Barrett, Legislative Research Department
Carolyn Rampey, Legislative Research Department
Avis Swartzman, Revisor of Statutes
Jackie Breymeyer, Committee Secretary

Conferees appearing before the committee: Stephen M. Jordan, Executive Director, Kansas Board of Regents
Robert N. Kelly, Executive Director, Kansas Association
of Independent Colleges

Others attending: See attached list

Chairperson Lawrence called the meeting to order and called on Robert Vancrum who was present to request two bill introductions. The first bill request concerned base state aid per pupil, which is the bulk of funding provided to school districts. This is based upon the count of students conducted on September 20 of each year. In a district such as Blue Valley, the count at the beginning of the year underestimates the operating budget necessary to operate the full school year. The requested bill would provide that any school district that chooses to do so may request a second count on February 20. If the second count produces a higher number, the increase in enrollment would be counted at 0.5 pupils for reimbursement under the formula. This would reimburse the district for a higher number of students for the second semester.

Senator Emert moved the introduction of the proposed legislation. Senator Oleen gave a second to the motion. The motion carried.

The second requested piece of legislation concerned the strong demand for a full day kindergarten in the Blue Valley area and would grant any school district that wanted to provide a full day kindergarten the authority to charge up to their actual costs of providing the program. Such fees would be treated as reimbursements to the general fund. This would also allow them to exceed their budget authority by the amount of the revenues raised.

Senator Langworthy moved the bill request, with a second by Senator Lee. The motion carried.

The Committee turned to **SB 459 regents supplemental grant program; affecting eligibility requirements for participation** and **SB 458 tuition grant program; eligibility requirements for participation**

Stephen M. Jordan, Executor Director, Kansas Board of Regents, distributed testimony which he said would apply to both Senate bills. (Attachment 1)

SB 458 relates to the tuition grant program; **SB 459** to the supplemental grant program. Non-Kansas residents are eligible for both programs. They are not residents for fee purposes, but fit within one of the statutory categories of persons allowed to pay an amount equal to resident tuition. Since there are limited monies available for the state financial aid programs, the Board is recommending that the residency definition for both programs be amended to permit only Kansas residents to be able to participate in the programs.

On being asked about some of the figures connected with the programs, Mr. Jordan stated the tuition grant '96-'97 actual awards were 3,666, with 3,714 awards eventually made; Regents program, 21,537 eligible - 4,000 awards.

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON EDUCATION, ROOM 123-S-Statehouse, at 9:00 a.m. on January 28, 1998.

Mr. Jordan was asked if the Board prioritizes at the Regent's level or each institution does it separately. He responded that it is a decentralized program; they make allocations to campuses; the campuses do the awarding.

It was commented that there should be some way to help the children of those parents who have been Kansas residents, paid their taxes and have to leave the state for employment or other reasons. If they have a high school senior, the child should be able to obtain some type of aid and not be penalized.

Mr. Jordan replied that it is a question of where do the state's priorities lie. Does it lie with the people that happen to reside here at a certain point in time who are not really residents of the state or does it lie with Kansans.

Christie Crenshaw, financial staff, Regents, gave figures on the average award on the two programs. The maximum award last year was \$900; the average is around \$840 for the supplemental grant student; most students receive the supplemental grant maximum award. For the tuition grant the amount is \$1700 '96-'97 and \$2,000 '97,'98.

Mr. Jordan clarified that the Regent's grant is the one that is being funded at about 25% of those that are eligible. It can be up to one-half the tuition fee; this year it is \$1,000 and next year may be \$1100.

Ms. Crenshaw was asked if they had the flexibility to fund these at \$500 and end up funding 50% of those who apply. She responded that they do have that flexibility, but they work with the financial aid directors and see the majority of students who have too high a loan debt for their financial health. It has been decided every year to moved up to the maximum. There are students who are funded at \$600 and \$700, but the majority are needy enough that they will receive the full supplemental grant. A small amount of money does not do enough good; 80% will probably receive the maximum award.

In response the question as to the real purpose of the bills, Mr. Jordan stated that the Regents have consistently come to the Legislature year after year, trying to increase the amount of financial aid. Modest success has been achieved. When the Regents supplemental grant program was first started, there was a perception that it was going to be funded at about twice the level it currently is funded. All the Regents are trying to do is, given this reality, how to take care of Kansas students. Total funding for the Kansas tuition grant program is currently \$5.6 million; the Regent's supplemental grant total is \$3.2 million.

Bob Kelly, Executive Director, Kansas Association of Independent Colleges, distributed his testimony (Attachment 2) and stated his support for the bills. From a survey of member colleges, his association has estimated that less than five students would lose their tuition grant monies, all of whom are in the military service. Passage of these two bills will have a minimum negative impact on their students.

Mr. Jordan was asked by the Revisor if these two bills were introduced in case the Governor's bill didn't pass. His response was that the Governor's proposal is independent of anything the Board was proposing. The Board is only trying to narrow the focus. Whether the Governor's proposal contemplates narrowing the focus or not in a statutory sense Mr. Jordan does not know.

Mr. Kelly stated that Washburn is included in the comprehensive grant and included in a small portion of the tuition grant program. The University has slightly different residency requirements than the Regents do. He added that the bills would put everyone on a level playing field in receiving state grant aid and he wants to go on record as supporting the Regent's bills.

The Chairperson closed the hearings on the bill and said no action would be taken until the draft of the Governor's legislation is seen. She asked Mr. Jordan to pursue a way the Regents could do this without statutory change.

Staff was asked if they could look into what can be done about students who are ready to attend college and whose parents have moved out of state.

The minutes of the January 26 and 27 meetings were approved on a motion by Senator Emert and a second by Senator Kerr.

The meeting was adjourned.

The next meeting is scheduled for February 2, 1998.

**Testimony to Senate Committee on Education
On Senate Bills 458 and 459
Stephen M. Jordan, Executive Director
Kansas Board of Regents
January 28, 1998**

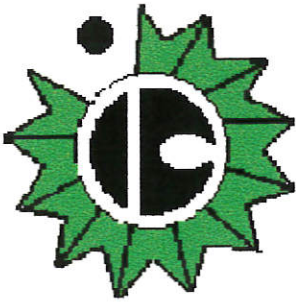
Madam Chair, Members of the Committee:

Both Senate Bill 458 and Senate Bill 459 are related to the definition of residency for eligibility for the Tuition Grant Program and the Supplemental Grant Program, respectively. Currently, persons are eligible for both programs who are not Kansas residents for fee purposes but who fit within one of the statutory categories of persons who are allowed to pay an amount equal to resident tuition. Because there are limited dollars available for our state financed need based financial aid programs, the Board of Regents recommends that the residency definition for both programs be amended to permit only Kansas residents to be eligible to participate in these programs. The impact of this change would fall upon certain non-residents who are granted resident fee privileges such as military personnel; Regents institution employees; persons transferred or recruited to Kansas for employment; and certain Kansas high school graduates whose parents have moved out of Kansas.

We estimate that for the Regents institutions in any given year this change would affect a maximum potential pool of 150 students and in the current year less than 50 students. For the independent institutions we estimate that approximately 25-30 students will be affected.

I would be pleased to respond to any questions you might have.

*Senate Education
Attachment 1
1-28-98*



KANSAS INDEPENDENT COLLEGE ASSOCIATION

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ROBERT N. KELLY, Executive Director

January 28, 1998

Testimony before the Senate Education Committee

Madame Chairman, Members of the Committee:

The Kansas Independent College Association endorses SB 458 which limits eligibility for Tuition Grants to students who qualify under the basic rule of Kansas residency cited in K.S.A. 76-729 (a). From a survey of our member colleges, we have estimated that very few (less than five) students would lose their Tuition Grants under this bill. All were in the military service--K.S.A. 76-729 (b) (2). We do believe that limiting residency eligibility to the basic rule is an administrative decision, and we abide by the Board of Regents' decision.

Moreover, the Governor recommended in his Legislative Message that the Supplemental Grant and Tuition Grant be merged into a Comprehensive Grant, a proposal that both we and the Regents wholeheartedly support. Having one set of residency rules will be essential under the Comprehensive Grant.

In conclusion, the passage of SB 458 and 459 furthers the Governor's agenda, has minimal negative impact on students, and falls appropriately under the administrative aegis of the Regents.

I would be happy to answer any questions.

**BAKER UNIVERSITY/BENEDICTINE COLLEGE/BETHANY COLLEGE/BETHEL COLLEGE/CENTRAL COLLEGE/
DONNELLY COLLEGE/FRIENDS UNIVERSITY/HESSTON COLLEGE/KANSAS NEWMAN COLLEGE/KANSAS
WESLEYAN UNIVERSITY/MCPHERSON COLLEGE/MIDAMERICA NAZARENE UNIVERSITY/OTTAWA
UNIVERSITY/SAINT MARY COLLEGE/SOUTHWESTERN COLLEGE/STERLING COLLEGE/TABOR COLLEGE**

*Senate Education
Attachment 2
1-28-98*