

MINUTES OF THE COMMITTEE ON HIGHER EDUCATION.

The meeting was called to order by Chairperson Tom Sloan at 11:15 a.m. on March 21, 2003 in Room 231-N of the Capitol.

All members were present except: Representative Hill, Excused
Representative E. Johnson, Excused

Committee staff present: Mary Galligan, Legislative Research
Mona Gambone, Committee Secretary

Conferees appearing before the committee: None

Others attending: See attached list

Chairman Sloan called the Committee's attention to the summary concepts of testimony submitted by Dr. Duane Dunn, who had testified at the March 19 meeting as a proponent of SB 7 (Attachment #1). He also called their attention to the Fall 2002 Enrollment for Technical Schools & Colleges, which he had distributed (Attachment #2).

Chairman Sloan then opened the discussion on **SB 7**. After brief discussion on the bill, Representative Horst moved to amend on page 1, line 43, changing the expiration date to 2009 and on page 2, Section B to include exemption for schools as they complete the plan; Representative Pottorff seconded the motion; motion carried.

Representative Storm moved to amend on page 2, line 16 (Attachment #3); Representative Horst seconded the motion; motion carried.

Representative Kuether distributed to the Committee a list of proposed amendments to SB 7 (Attachment #4). There was discussion concerning employee protection.

Representative Tafanelli moved the bill be reported favorable for passage as amended; Rep. Reitz seconded the motion; the motion failed.

Representative Kuether moved language be added to the bill regarding employer protection (Point #6, Attachment 4); Representative Storm seconded the motion; the motion carried.

Representative Storm moved the bill be amended on page 2, line 13 by adding "and indebtedness"; Representative Carlin seconded the motion; the motion carried.

Representative Horst moved the bill be amended (Attachment #5); Representative Huntington seconded the motion; the motion carried.

Representative Carlin moved the bill be amended on page 2, New Sec. 4, after the words "qualified electors" adding the words "the number of voters voting in the last general election for Secretary of State"; Representative Phelps seconded the motion; the motion carried.

Chairman Sloan distributed to the Committee two proposed amendments (Attachment #6).
Representative Horst moved the bill be so amended; Representative Storm seconded the motion; the motion carried.

Chairman Sloan announced the Committee will meet on Monday, March 24, 2003 to take up any further language drafted by the Revisor's office in response to specific legislator requests.

There being no further business, the meeting was adjourned at 12:20 p.m..

HOUSE HIGHER EDUCATION COMMITTEE GUEST LIST

DATE March 21, 2003

NAME	REPRESENTING
DICK CARTER	KBOU
MARK DESETTI	KNEA
Diane Gjerstad	Wichita Public Schools

Summary concepts

House Higher Education Committee
Representative Tom Sloan, Chair
Hearing regarding SB 7
March 21, 2003

Written testimony presented by:
Duane M. Dunn, Ed.D.,
President of Manhattan Area Technical College
3136 Dickens Avenue
Manhattan, KS 66503

Chairman Sloan and Members of the Committee:

Please accept this written testimony on behalf of Manhattan Area Technical College and USD 383 Manhattan-Ogden Schools in support of Senate Bill 7. The comments are in response to items presented to you Wednesday, March 19.

- There is no basis to believe that a technical college would not continue to serve secondary students. There are long standing agreements among the technical colleges and the area high schools to provide instruction or advanced standing opportunities for secondary students. The community colleges in Kansas are excellent examples of the ability for an autonomous institution to have cooperative agreements with high schools.
- While faculty credentials are an issue of accreditation the issue is not one of governance. The colleges chose to become higher education institutions and are implementing procedures to meet the credentialing expectations needed for a degree granting institution.
- Articulation agreements would enable nearly 125 students at Manhattan Area Technical College a direct avenue to pursue a bachelor's degree if that is their choice during their professional career. These students are in A.A.S. programs that have the potential to directly transfer to degrees in nursing, architecture, automotive technology, and business. While no articulation agreement will guarantee transfer if a student changes majors or career interests, the possibility to remove obstacles for a lifelong learning plan is an element of full accreditation.
- Disadvantaged and minority students should have the same opportunity to pursue a technical degree and possibly a bachelor's degree as any other student. The insinuation that an autonomously governed technical college would prevent students from educational opportunities is unfounded.
- Employee protection should be a matter of trust and would be included in any transition plan that is developed. The need for protective amendments is an unnecessary fear that may lead to distrust within the institution. The potential to improve a contracted agreement may be hindered if an unnecessary amendment is attached.

Senate Bill 7 is a critical step forward for Kansas in the attempt to provide a coordinated system of higher education. We appreciate the Board of Regents and their efforts to align educational opportunities to best serve students, the communities, and the state. The USD 383 Board of Education and Manhattan Area Technical College supports the bill and the ability for our college to move forward as a player in the higher education community.

House Higher Education Committee

Meeting Date: 3/21/03

Attachment No.: _____ 1

House Higher Education Committee
Representative Tom Sloan, Chair
Hearing regarding SB 7
March 21, 2003

Written testimony presented by:
Duane M. Dunn, Ed.D.,
President of Manhattan Area Technical College
3136 Dickens Avenue
Manhattan, KS 66503

Chairman Sloan and Members of the Committee:

I am unable to attend the hearing scheduled for 5:00 p.m. Friday, March 21, 2003 in reference to Senate Bill 7 – an act regarding the governance of technical colleges. I did present oral and written testimony to you on Wednesday, March 19 in support of the bill. I indicated in that testimony that USD 383 Board of Education, the governing body for Manhattan Area Technical College, supports the bill and its intent to provide for an autonomous, independent board of governance for our college.

I felt it important that I provide you with information in response to issues that were addressed during the March 19 hearing. Please consider these responses as you debate the bill and the consequences of your decision.

- The change in governance will not diminish our ability to serve secondary students enrolled in technical programs through our college. We have Tech Prep agreements with several of the surrounding high schools that provide advanced placement in our diploma and degree programs in technical programs including drafting, automotive technology, welding, graphic arts, business and computer technology. Additionally, we have recently developed a consortium of several school districts and health care providers to establish a health occupations program to enable secondary students to achieve Nurse Aide training which could then lead to admissions in our practical nursing program. These initiatives provide less duplication of effort and an effective mechanism for cooperation and collaboration among institutions.

Additionally, it is worth noting that the community colleges in Kansas have, for many years, provided a number of courses to secondary students. Those courses vary from the general education courses to technical courses. It would be a logical assumption that the same general attitude would be applicable to the technical colleges.

Another example is how Manhattan Area Technical College provides instruction to students at Flint Hills Job Corps Center. Job Corps students are not post-secondary students in that they are not graduates of a high school and may not have completed their GED program of study. However, we provide health occupations courses to the students at the Job Corps Center through a contracted arrangement. Next fall we intend to broaden that arrangement by providing advanced business and computer applications courses to those students. They are then able to use the courses, taught by our faculty, to complete their high school diploma through Manhattan High School or simply for job training if they choose to complete the GED program and then exit the Job Corps Center.

- Approximately 80% of our faculty have bachelor's and master's degrees. By including the faculty who teach general education courses for our students through Cloud County Community College and Kansas State University, that percentage then moves to nearly 85%. The Higher Learning

Commission of the North Central Association has recognized the technical expertise and the technical certification specialization of our faculty. They have encouraged us, as a college, to pursue avenues to assist and encourage non-degreed faculty to complete their bachelor's degree. We recognize this as an issue of accreditation and an issue of institutional improvement rather than an issue tied to a governance model.

- We fully understand that there is no articulation agreement that will guarantee complete transfer of credits from one institution to another, particularly when a student changes career paths. However, there are several programs of instruction that could provide the avenue for direct articulation of degrees such as nursing, drafting, business and computer technology, and automotive technology. There are approximately 125 students enrolled in these majors at Manhattan Area Technical College. It is unlikely that all of them will decide at a point in their career to pursue a bachelor's degree, but without full accreditation those students who do desire to complete a bachelor's degree will face an unnecessary obstacle.

You heard testimony related to the disadvantaged and minority population of students and that a technical college board, with a responsibility of policy, governance, and management of the college, may not serve that population of students. Once again, I encourage you to consider the success that has been realized by the community colleges in Kansas as they provide a tremendous avenue of lifelong improvement to disadvantaged and minority students. The insinuation that a college would not have an interest in serving students is highly unfounded.

- Although we understand the importance of providing employee protection, I am not of the opinion that an amendment is needed. There is a long history of trust and open communication between our faculty, the college administration, and the board of education. Any statutory stipulation that mandates "protective" policies may result in an atmosphere of distrust. Manhattan Area Technical College currently pays for the early retirement program for our employees, the institutional share of the employee benefit package, and provides for the cost of substitute faculty when an instructor is utilizing their leave benefits. There is no reason to believe the benefits and leave policies would change unless that is agreed upon between the faculty bargaining unit and the board of governance. A concept that has been discussed within our organization is that there may be an opportunity for an improved benefit package for our faculty if it was not tied to a K-12 designed negotiated agreement. This may include greater flexibility on the teaching schedule, greater flexibility on the definition of a teacher load, and greater flexibility on the development and placement on a salary schedule. Mandated "protection" may lead to permanence of contracts rather than improved contracts. If it is decided to amend the statute, I encourage you to provide a broad avenue of ability for the transitional process to provide the best opportunities for the employees.

Senate Bill 7 is intended to provide a first step in the ability of the technical colleges to be a true partner in the higher education community of Kansas. Each of our institutions and our governing boards made a decision to be a degree granting institution. At that time we made a conscious decision to enter the realm of higher education. We continue to serve secondary students as appropriate for our communities, we continue to serve the business and industry community and associated workforce development initiatives, we continue to seek methods of improving our operations within the fiscal resources we have available, and we continue to meet the student services needs of our constituents. The opportunity to be a fully accredited institution, a player in the same arena of higher education with our fellow colleges, and the opportunity to enhance our students' potential interest in lifelong degree attainment are all aspects of the importance of Senate Bill 7.

Once again, I urge your support of this important step toward enhancing the state's educational system.

Fall 2002 Enrollment for Technical Schools & Colleges

Technical Institution	Institution Type	NCA or COE Accreditation	Secondary Headcount	Post-Secondary Headcount	State Aid
Flint Hills Tech College	College	Type I NCA pre-candidate	89 - 22%	324 - 78%	1,644,002
Kansas City K ATS	School	Type I Secondary accredited	275 - 46%	320 - 54%	3,448,526
Kaw Area Tech School	School	Type I Seeking COE	479 - 55%	394 - 45%	2,374,791
Manhattan AT College	College	Type I NCA candidate status	8 - 2%	335 - 98%	2,124,721
N C Kansas Tech College	College	Type II NCA Accredited	52 - 11%	428 - 89%	2,689,301
N E Kansas Tech College	College	Type I COE accredited	99 - 34%	196 - 66%	1,027,707
N W Kansas Tech College	College	Type II COE accredited	1 - .02%	435 - 99.8%	1,952,368
Salina Area Tech School	School	Type I Secondary accredited	123 - 36%	221 - 64%	1,619,743
SW Kansas Tech School	School	Type I Secondary accredited	74 - 30%	171 - 70%	1,436,741
Wichita Area Tech College	College	Type I Seeking COE	955 - 33%*	1980 - 67%	6,178,796
Full Time Enrollment			2155	4804	
Percentage of Enrollment			31%	69%	

Combined Community Colleges and Area Technical Schools

- Coffeyville Community/ATS
- Cowley County Community College/ATS
- Dodge City Community College/ATS
- Hutchinson Community College/ATS
- Johnson County Community College/ATS
- PrattCommunity College/ATS

*secondary enrollment based on KSDE February 2003 report

*House Higher Education
3/21/03
Attach #2*

House Higher Education Co.
Meeting Date: 3/21/03
Attachment No.: 2

House Higher Edu.
3/21/03
Attach # 3

1 new Sec. 2. (a) On or before July 1, 2005, all technical college boards
2 shall develop and present to the state board of regents a plan to replace
3 the governing body described in K.S.A. 72-4470, and amendments
4 thereto, with a new governing board, which shall be separate and inde-
5 pendent of any board of education of any school district, to operate, con-
6 trol and manage the technical college. The plan shall provide:

- 7 (1) The composition of the independent governing board;
- 8 (2) the territory of the technical college;
- 9 (3) the method of election or appointment and the terms of service
10 of the members of the independent governing board;
- 11 (4) the date upon which the independent governing board shall as-
12 sume management and control of the technical college; and
- 13 (5) the manner, terms upon which and extent to which the facilities,
14 faculty, employees and students of the technical college will be trans-
15 ferred to the independent governing board.

16 (b) Upon approval of the plan by the state board of regents, and on
17 the date determined in the approved plan, the independent governing
18 board established under subsection (a) of this section shall operate subject
19 to the rules, regulations and supervision of the state board of regents in
20 the same manner as other technical colleges, technical schools and area
21 vocational technical schools.

and the governing body of the technical college

22 (c) In addition to such other powers expressly granted by law and
23 subject to the provisions of subsection (b), the governing board shall have
24 the power to:

- 25 (1) Determine the vocational, technology and general education
26 courses of instruction that will comprise the associate of applied science
27 degree programs of the college;
- 28 (2) establish the requirements for satisfactory completion of the as-
29 sociate of applied science degree programs of the college;
- 30 (3) confer the associate of applied science degree upon students who
31 successfully complete an associate of applied science degree program of
32 the college and to award a certificate or diploma to students who suc-
33 cessfully complete a vocational education program of the college; and
- 34 (4) appoint teaching staff and to fix and determine teacher qualifi-
35 cations, duties and compensation. No teacher appointed to teach courses
36 comprising the associate of applied science degree programs of the col-
37 lege shall be required to meet certification requirements greater than
38 those required in the state educational institutions.

39 Sec. 3. K.S.A. 72-4470 is hereby repealed.

40 Sec. 4. This act shall take effect and be in force from and after its
41 publication in the statute book.

New Sec. 2. (a) On or before July 1, 2005, all technical college boards shall develop and present to the state board of regents a plan to replace the governing body described in K.S.A. 72-4470, and amendments thereto, with a new governing board, which shall be separate and independent of any board of education of any school district, to operate, control and manage the technical college. The plan shall provide:

- 7 (1) The composition of the independent governing board;
- 8 (2) the territory of the technical college;
- 9 (3) the method of election or appointment and the terms of service of the members of the independent governing board;
- 10 (4) the date upon which the independent governing board shall assume management and control of the technical college; and
- 11 (5) the manner, terms upon which and extent to which the facilities, faculty, employees and students of the technical college will be transferred to the independent governing board.

(b) Upon approval of the plan by the state board of regents, and on the date determined in the approved plan, the independent governing board established under subsection (a) of this section shall operate subject to the rules, regulations and supervision of the state board of regents in the same manner as other technical colleges, technical schools and area vocational technical schools.

and the governing body of the technical college

(c) In addition to such other powers expressly granted by law and subject to the provisions of subsection (b), the governing board shall have the power to:

- 25 (1) Determine the vocational, technology and general education courses of instruction that will comprise the associate of applied science degree programs of the college;
- 26 (2) establish the requirements for satisfactory completion of the associate of applied science degree programs of the college;
- 27 (3) confer the associate of applied science degree upon students who successfully complete an associate of applied science degree program of the college and to award a certificate or diploma to students who successfully complete a vocational education program of the college; and
- 28 (4) appoint teaching staff and to fix and determine teacher qualifications, duties and compensation. No teacher appointed to teach courses comprising the associate of applied science degree programs of the college shall be required to meet certification requirements greater than those required in the state educational institutions.

Sec. 3. K.S.A. 72-4470 is hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

ω
p

Proposed Amendments to SB 7

- Sunset provision in section 1.
- Capital outlay authority.
- Require that the final plan required by section 2 be approved not only by SBOR but also by the governing body of the technical college.
- Require SBOR to prepare and submit any additional legislation necessary to implement “separation issues” at beginning of 2004 legislative session.
- Transfer bonded indebtedness bond duty to pay to new governing board.
- Eliminate state aid to USD on bond and interest payments attributable to technical college facilities.
- Employer protection provisions relating to: accumulated sick leave and vacation or personal leave; early retirement incentive programs for qualified employees; require new governing board to pay cost of such protection provisions.

*If any of the above are adopted, is it necessary to give taxing authority to the new governing body?

Proposed Amendment to SB 7

On page 2, in line 8, following "college" by inserting ". If the territory of the technical college includes more than one county, the plan shall designate a home county";

Also on page 2, following line 38, by inserting:

"New Sec. 3. As used in this section through section 6, and amendments thereto:

(a) "Board" means the governing board of a technical college established pursuant to section 2, and amendments thereto.

(b) "Unconditionally authorized to make a tax levy" means that the board has adopted a resolution under section 4, and amendments thereto, has published the same, and either that such resolution was not protested or that it was protested and an election was held by which the tax levy was approved.

(c) "Territory" or "territory of the technical college" means the territory of the technical college as described in the plan approved pursuant to section 2, and amendments thereto.

(d) "Home county" means the home county of the territory of the technical college as designated in the plan approved pursuant to section 2, and amendments thereto.

New Sec. 4. (a) The board may make an annual tax levy for a period of not to exceed five years of not to exceed two mills upon all taxable tangible property within the territory of the technical college for the purpose of construction, reconstruction, repair, remodeling, additions to, furnishing and equipping of buildings, architectural expenses incidental thereto and the acquisition of real property for use as building sites or for educational programs. No levy shall be made under this section until a resolution authorizing the levy is passed by the board and published once each week for three consecutive weeks in a newspaper having general circulation in the territory of the technical college. The resolution shall specify the mill rate of the tax levy and the period of time for which the tax levy shall be made under authority thereof. After adoption of the

resolution, the levy may be made unless, within 60 days following the last publication of the resolution, a petition in opposition to the levy, signed by not less than 5% of the qualified electors of such territory, is filed with the county election officer of the home county of the territory of the technical college. If a petition is filed, the levy shall not be made unless the question has been submitted to and approved by a majority of the qualified electors of the territory of the technical college voting at an election called for that purpose or at the next general election. If a petition is filed and no election is held, a new resolution authorizing a levy for the purposes specified in this section may not be adopted for a period of one year after the filing of the petition.

(b) Whenever an initial resolution has been adopted under subsection (a) and the resolution specified a lesser mill rate than two mills, the board may adopt a second resolution under the same procedure as is provided in subsection (a) for the initial resolution and, subject to the same conditions and for the same purposes as provided in subsection (a), shall be authorized to make an additional tax levy in an amount to be specified in the second resolution for the remainder of the period of time specified in the initial resolution for the making of the levy under authority thereof. Any second resolution shall be limited in an amount as specified in subsection (a), less such amount as was authorized in the initial resolution, and not to exceed an aggregate amount of two mills in any one year. If any such resolution is adopted and the tax levy therein specified is authorized under the conditions specified in subsection (a), the amount of bonds which may be issued under section 5, and amendments thereto, may be increased accordingly.

(c) The board which has made a tax levy under this section may initiate, at any time after the final levy is certified to the county clerk under any current authorization, procedures to renew its authority to make a like annual tax levy in the amount, upon the conditions and in the manner specified in subsection

(a).

(d) The provisions of this section shall be subject to K.S.A. 2002 Supp. 79-5040, and amendments thereto.

New Sec. 5. There is hereby established in every technical college of the state a fund which shall be called the capital outlay fund. Such fund shall consist of all moneys deposited therein in accordance with law. The proceeds of any tax levied under section 4, and amendments thereto, shall be deposited in the capital outlay fund of the technical college making such levy. Any proceeds derived from the sale of oil or gas or other minerals by a technical college may be deposited in the capital outlay fund of the technical college. To the extent that any other statute conflicts with this section, this section shall control.

New Sec. 6. (a) Any moneys in the capital outlay fund of any technical college and any moneys received from issuance of bonds under this section may be used for the purposes specified in section 4, and amendments thereto. The board which is unconditionally authorized to make a tax levy in lieu of making all or part of such tax levy, may issue and sell general obligation bonds. Such bonds shall be issued in the manner provided by the general bond law. Such bonds shall be issued to mature in not more than five years. No election shall be required to issue such bonds. If bonds are issued under authority of this section, the amount of such bonds which may be issued shall be determined as follows:

(1) The amount of such bonds shall not exceed the amount of the product which results from multiplying the remaining number of years provided in the resolution authorizing the capital outlay fund tax levy and adopted under section 4, and amendments thereto, times the mill rate provided in the resolution times the assessed valuation of the taxable tangible property within the territory of the technical college at the time the bonds are issued, less the sum of all amounts specified in paragraphs (2) and (3) of this subsection.

(2) The maximum amount of bonds authorized by this section to be issued shall be reduced by all amounts which have been or will be received by such technical college from any tax levy made under authority of the resolution prior to the issuance of such bonds. The maximum amount shall be reduced further by the estimated amount of interest to be paid on such bonds.

(3) The maximum amount of bonds authorized by this section to be issued shall be reduced by an amount equal to the amount of unpaid principal on bonds which have theretofore been issued under this section.

(b) Bonds issued under the authority conferred by this section by the board shall not be subject to or within any bonded debt limitation prescribed by law and, in determining the amount of bonded indebtedness of any such technical college in applying any such bonded debt limitation, bonds issued under this section shall not be considered.

New Sec. 7. If any technical college is unconditionally authorized to make a tax levy, but the board chooses, in any year, not to make the levy, or chooses to make a lesser levy than authorized, the board may do so. If the board refrains from making a levy in any one or more years or from making the full levy which it is authorized to make under section 4, and amendments thereto, and the resolution adopted thereunder, the authority of the technical college to make a tax levy under section 4, and amendments thereto, shall not be extended beyond the period of time specified in the resolution, nor shall the mill rate of the tax levy authorized for any succeeding year be increased thereby.";

By renumbering sections 3 and 4 as sections 8 and 9, respectively;

In the title, in line 10, following the semicolon, by inserting "relating to capital expenditures and the financing thereof;"

Proposed Amendment - SB 7

The Board of Regents shall create by September 1, 2003, an advisory committee of unclassified professional staff to advise the Board and Council of Presidents. Such advisory committee's scope of responsibilities to be functionally equivalent to that of the Council of Faculty Senate Presidents and the student advisory group.

Proposed Amendment - SB 7

The Board of Regents shall create by September 1, 2003 an advisory committee of classified employees to advise the Council of Presidents and the Board. Such advisory committee's scope of responsibilities to be functionally equivalent to that of the Council of Faculty Senate Presidents and the student advisory group.