

MINUTES OF THE HOUSE HIGHER EDUCATION COMMITTEE

The meeting was called to order by Chairman Tom Sloan at 3:30 p.m. on February 4, 2004 in Room 231-N of the Capitol.

All members were present except:

Representative Don Hill- excused
Representative Valdenia Winn- excused

Committee staff present:

Mary Galligan, Legislative Research
Art Griggs, Office of the Revisor
Susan Allen, Committee Secretary

Conferees appearing before the committee:

Sean Gatewood
Mary Prewitt, General Counsel, Kansas Board of Regents
Deborah Stern RN, JD, Kansas Hospital Association

Others attending:

See Attached List.

Chairman Sloan called the Committee's attention to a letter from the Kansas Board of Regents to Senator Pat Roberts concerning the Congressional Higher Education Act (Attachment 1).

HB 2536 - Concerning state educational institutions and resident tuition rates.

Chairman Sloan opened the hearings on **HB 2536**

Mr. Sean Gatewood testified as a proponent of the bill. Mr. Gatewood's testimony described his wife's unsuccessful attempts to secure resident tuition status at the University of Kansas. Ms. Gatewood was granted resident status at Pittsburg State University. Mr. Gatewood expressed concern that residency determination was not consistent among the Regents' institutions (Attachment 2).

The Chair recognized Representative Flora sponsor of the bill. Representative Flora explained that Mr. and Mrs. Gatewood are his constituents, and he thanked the Committee for considering the bill.

Mary Prewitt, General Counsel, Kansas Board Regents, testified as an opponent of the bill and explained that the status of residency is determined by the registrar or admitting officer at the State university where the student plans to matriculate and is based on the facts as they exist at that time, and is guided by existing Kansas statutes. One of those requirements is the intent to be a permanent resident of the State at the time that they apply. Ms. Prewitt told the Committee that **HB 2536** would require the student's previous residency determination to be a factor in determination of residency at another Regent's school, which is already taken into consideration when a student changes from one institution to another within the Regents' system. Ms. Prewitt stated that she was not aware of any other cases where a student has received two different determinations of residency status from Regents' institutions (Attachment 3).

Chairman Sloan reminded the Committee that **HB 2536** was one of a number of bills the Committee would be hearing relating to tuition at four year educational institutions.

The Chairman opened the floor for questions.

CONTINUATION SHEET

MINUTES OF THE HOUSE HIGHER EDUCATION COMMITTEE at 3:30 p.m. on February 4, 2004 in Room 231-N of the Capitol.

Representatives Reardon , Krehbiel and Gordon questioned the Board's suggestion that the legislation was not needed in light of the fact that they offered no other resolution to the situation. Representative Reardon commented that he did not find a compelling argument that the legislation was not necessary based on the uniqueness of the Gatewood's case. Representative Reitz suggested that the determination of residency should not hinge on the subjective determination of intent by the registrar; but that the legislature should define residency requirements. Representative Storm asked that more information be supplied to the Committee explaining the criteria used to determine residency status at the University of Kansas. Representative Carlin asked Ms. Prewitt to explain the contiguous county program. Ms. Prewitt explained the program, offered only at Pittsburg State University, allowed students from counties located close to the University, but in other states, to pay in-state tuition at Pittsburg State University. Representative Neighbor pointed out that in-state tuition is granted to students who live and work in the state of Kansas for a period of one year prior to applying to university. Ms. Prewitt pointed out that because Ms. Gatewood was enrolled that definition of residency did not apply.

There being no further questions, Chairman Sloan closed the hearing on **HB 2536**.

HB 2506: Tuition charges at regents supervised institutions.

Chairman Sloan opened hearings on **HB 2506**.

Chairman Sloan explained that **HB 2506** was a more comprehensive approach to tuition residency issues derived from debate last year; and that it specifically addresses the military issue.

Chairman Sloan recognized Art Griggs, Office of the Revisor. Mr. Griggs gave a brief explanation of **HB 2506**. Mr. Griggs explained that according to Section 1, the bill does not apply to Washburn University; Sections 2 and 3 apply to military personnel; Section 4, grants the president or chancellor of a regents supervised institution the authority to use their discretion regarding fee charges, subject to the approval of the Board of Regents; Section 5, concerns the transfer of residency status among Regents' institutions; Section 6, allows a student to appeal a residency determination to the Board of Regents.

Ms. Prewitt . Kansas Board of Regents, testified as an opponent. Ms. Prewitt pointed out that **HB 2506** addresses three separate issues regarding residency - changing residency rules applicable to military personnel; exceptions to rules by the institutions' CEOs; and transference of prior determination from one institution to another. Ms. Prewitt explained that each of the four sectors - technical institutions, community colleges, Washburn University, and State universities - have separate statutory residency rules. Ms. Prewitt testified that if this bill were enacted, the State universities would suffer a significant economic loss (Attachment 4).

Representatives Storm and Tafanelli asked Ms.Prewitt about the loss of revenue to the University of Kansas if the bill were enacted. Ms. Prewitt explained that the cost would be 4 million dollars if 10% of the eligible students took advantage of the provisions in the bill.

There being no further questions, Chairman Sloan closed the hearings on **HB 2506**.

The Chairman recognized Deborah Stern, Vice President for Clinical & Quality Services for the Kansas Hospital Association. Ms. Stern gave an informational presentation and brief history of the Kansas Nursing Workforce Partnership. Ms. Stern provided the Committee with statistics concerning the nursing shortage in Kansas. She listed three areas of primary focus that the Workforce would like to see the Legislature address: 1. To eliminate the income cap for retired nurses. 2. To consider increasing the appropriations budget for the Kansas Nursing Service Scholarship Program. 3. To consider increasing the funding for Board of Regents Schools (Attachment 5).

The meeting was adjourned by Chairman Sloan at 4:45 p.m. The next meeting of the Committee is scheduled for Monday, February 9, 2004 at 3:30 p.m. in RM 231-N.

HOUSE HIGHER EDUCATION COMMITTEE GUEST LIST

DATE Feb 4, 2004

| NAME | REPRESENTING |
|----------------|---------------|
| Kevin Be It | KWEA |
| Alex Glyn | KSB |
| DEBORAH STERN | KHA |
| Charlie Kellie | Hein Law Firm |
| Sean Costwood | |
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January 28, 2004

The Honorable Tom Sloan
Chair
House Higher Education Committee
Room 446-N, Statehouse
Topeka, KS 66612

Dear Chair Sloan:

As you are aware, the United States Congress is currently considering legislation that would reauthorize the Higher Education Act, first enacted in 1965. This is important federal legislation that has a significant impact on our state. Thus, the Kansas Board of Regents recently communicated with members of the Kansas Congressional delegation regarding this important reauthorization effort. Because of your critical higher education policymaking role in Kansas, I wanted to share that correspondence with you.

In essence, our correspondence notes the historic importance of the Higher Education Act and acknowledges the vital role this landmark legislation has played in providing the means by which students from a variety of backgrounds have obtained access to postsecondary education. In addition, we applaud the current Congressional efforts to reauthorize the Act, and encourage our delegation to support efforts to expand the availability of need-based student financial aid.

However, we also express concerns related to a number of provisions currently under consideration. In particular, we have reservations about a couple of proposals that relate to tuition-setting and transfer of credit. Our concern is that these proposals, which are described in the letter, would usurp state policymaking authority and inappropriately inject the federal government into areas that state leaders are more than able to address.

I hope this information is helpful as you work to monitor important developments in Washington. Please let me know if you have questions.

Sincerely,


Reginald L. Robinson
President and CEO

Enclosure

House Higher Education Committee

Meeting Date: 2-4-04

Attachment No.: 1



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January 13, 2004

The Honorable Pat Roberts
United States Senate
109 Hart Senate Office Building
Washington D.C. 20510

Duplicate letter sent to:
Senator Sam Brownback and
Representatives Dennis Moore,
Jerry Moran, Jim Ryun & Todd Tiahrt

Dear Senator Roberts:

Best wishes from the Kansas Board of Regents. We hope that you enjoyed the holiday season and look forward to what lies ahead in this New Year. We write to share our concerns regarding a matter of great importance to the higher education community in our state – the reauthorization of the Higher Education Act of 1965.

As you know, the effort to reauthorize that landmark legislation is currently underway in the appropriate committees in both houses of the Congress. With its focus on access, the Higher Education Act has played a key role in opening the doors of educational opportunity to aspiring students regardless of their means or economic status. We are pleased that the Congress is in the midst of reauthorizing this important federal provision, and urge you to support that effort.

In particular, as you consider reauthorization, we encourage you to support any movement to expand the level of federal support available for need-based student assistance. The federal assistance made available by the Higher Education Act, which has not kept pace with inflation over the years, is crucial for Kansas students, and we encourage you to support proposals that would expand that assistance. Yet, even as we applaud the Congressional movement toward reauthorization, we do have some concerns about the thrust of some of the proposals currently under consideration.

Our concerns center on key aspects of the “Affordability in Higher Education Act of 2003” that Representative Howard McKeon introduced earlier this fall. In particular, we are troubled by elements of this proposal that would inject the federal government into matters that have traditionally and appropriately fallen exclusively within the ambit of institutional and state policymaking – the setting of tuition levels and the determination of protocols regarding the transfer of credit among postsecondary institutions.

First, the tuition setting issue. We share Representative McKeon’s concern about rising tuition levels and applaud his effort to focus attention on this issue. As the body responsible for setting tuition rates for Kansas state universities, we are keenly aware of and concerned about rising

tuition levels. However, we are convinced that Mr. McKeon's approach is misguided and not in the best interest of Kansans.

In short, Mr. McKeon's legislation would sanction institutions that increase tuition beyond a level prescribed by a federally determined standard for measuring tuition increases – a “college affordability index.” As such, this proposal would work effectively to regulate college and university tuition levels through the imposition of federal price controls. Such an approach effectively pre-empts state responsibilities and imposes a one-size-fits-all cap on tuition increases. This “Washington knows best” approach is not in the best interests of our citizens and fails to account for existing tuition policies, which, in Kansas, have produced among the lowest tuition rates in the nation. It also fails to account for the fact that tuition increases for our state universities have not occurred in a vacuum. There is a well-documented link between state funding reductions and tuition increases. That has certainly been the case in Kansas, where the Board of Regents has raised tuition in large measure to fill resource gaps created by reductions in state funding levels.

We also recognize that tuition rates and the conditions relevant to setting them vary considerably from institution to institution and from state to state. Thus, any effort to shift that responsibility away from states and institutional governing boards to the federal government is misguided. We urge you to oppose such an effort.

We have similar concerns about a proposal regarding the transfer of academic credit among postsecondary institutions. Congressman McKeon's legislation would require our institutions to certify to the U.S. Department of Education that they do not reject academic credit transfer applications solely on the basis of the accreditation of the “sending” institution. We share the view that transfer credit should be evaluated based on its academic rigor. But again, we believe that these determinations are best and most productively left in the hands of academic institutions, their governing boards, and other state policymakers. The work done recently in Kansas on these issues demonstrates the point.

In 1999, the Kansas legislature enacted landmark higher education legislation, which, among other things, authorized the Board of Regents to pursue policies necessary to construct a seamless system of postsecondary education for the people of Kansas. Because issues related to transfer are at the core of achieving seamlessness, the Board has worked hard in the last several years to facilitate the transfer of credit among postsecondary institutions in our state. The success of the Board in this area demonstrates that states are more than capable of addressing these issues. We are troubled by an approach that would inject federal actors into this core academic issue and usurp institutional, governing board, and state authority in this area. We urge you to oppose such a proposal.

Finally, let us offer just a brief word about the general interest in “accountability” that has emerged as a significant part of the discussion related to reauthorization of the Higher Education

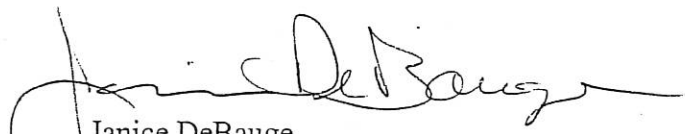
Act. We appreciate and welcome the focus on accountability. But as you realize, state policy leaders are as concerned about holding our postsecondary education institutions accountable as are their federal counterparts, perhaps even more so given their proximity to the citizens those institutions are intended to serve.

One example of how policymakers in Kansas have pursued accountability in this area has been through the adoption of legislation that requires the Board of Regents to enter into performance agreements with each of the thirty-six institutions that operate under the Board's umbrella. As a result of this legislation, postsecondary institutions in Kansas will be eligible to receive new funding from the legislature only if the Board of Regents determines that they have successfully achieved the goals reflected in their performance agreements. Again, state leaders are more than capable of effectively pursuing accountability in the field of higher education. More importantly, policymakers in Kansas have already stepped up to that important challenge. Our state would be ill served by federal involvement that could work to undermine or pre-empt important state efforts that are already underway.

In closing, we want to thank you for your continuing support of higher education. We urge you to support the reauthorization of the Higher Education Act, but also hope you will note the concerns we have expressed regarding some of the proposals currently under consideration as reauthorization is being pursued. Please feel free to contact us about any of the concerns we have expressed. Either of us would be happy to discuss them with you. Thank you very much for your attention to this correspondence.

Sincerely,


Reginald L. Robinson
President and CEO


Janice DeBauge
Chair

Testimony on bill # 3526
Presented by G. Sean Gatewood

- Graduated High School in Mt. Vernon, MO. 5/97
- Attended Missouri Southern State University Joplin, MO. 8/97-5/00
- Transferred to Pittsburg State University. 8/00
- Applied for Contiguous county and was accepted. 8/00
- Moved to Pittsburg, KS. 3/01
- Applied to University of Kansas. 10/02
- Applied to KU School of Pharmacy. 1/03
- Entered a contract to Purchase Home in Topeka. 2/03
- Notified by KU admissions and scholarships that initial decision of residency was out of state and to contact the registrars office. 2/13/03
- Applied for in state tuition through KU registrars office. 2/03
- Decision was made by the Registrars office to deny in state tuition 2/20/03 citing:
 1. Failure to demonstrate intent to make Kansas a permanent home indefinitely.
 2. Failure to demonstrate that she is residing in the state for purposes other than educational.
- The decision was appealed through the university. 3/03
- Accepted to the KU School of Pharmacy. 4/03
- Notified by the appeals committee that they denied her appeal for in-state tuition for Spring/03. 4/03
- Closed on house in Topeka. 4/22/03
- Applied for in-state status at Pittsburg State and was granted residency status. 4/03
- Received a letter that stated an error was made by KU, on their previous residency decision, documentation was not reviewed and they needed more documentation. 5/1/03
- Denied residency status again by the KU registrar. 5/12/03
- Appealed the decision through the University. 5/03
- Notified by the Appeals committee that they had denied residency status due to the same above cited reasons. Secured an attorney to file a judicial review but due to cost and fees the petition was never filed. 5/23/03
- Meet with Registrar at KU to discuss how to obtain instate residency status. 8/03
- Applied for residency status for the spring semester of 2004. 11/03
- Received denial letter. 12/2/03
- Met with Vice Provost for Student Success to discuss the disision. 12/03
- Received E-mail from the Vice Provost siding with the original decision. 12/19/03
- Appealed the decision and are now awaiting a decision form the appeals committee. 1/03

House Higher Education Committee

Meeting Date: 2/4/04

Attachment No.: 2



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Testimony regarding H.B. 2536
House Higher Education Committee

February 4, 2003

Mary D. Prewitt
General Counsel, Kansas Board of Regents

Chairman Sloan and members of the Committee, I appreciate this opportunity to appear before you to comment on House Bill 2536 which proposes to make changes to the laws regulating residence for tuition purposes at the six state universities.

Under the current system, residence status for tuition purposes is determined by personnel in the registrar's or admissions office of each institution upon the information contained in the student's application for admission. This allows the determination to be made on the basis of the facts as they exist at the time of matriculation.

This bill purports to override the determination of the registrar or admissions officer unless the facts pertaining to the individual student have changed since the previous determination was made. In short, it will still be necessary for the registrar or admissions officer to make a determination on the basis of the facts as they exist at the time of matriculation. It simply adds the previous residence determination as a factor that must be considered in the determination.

Subsection (d) states that the provisions of this bill would override the provisions of K.A.R. 88-2-1. That regulation allows registrars who have discovered new or additional information about a student to change a previous residence determination that was made in error. The Regents oppose this section in particular as it appears to specifically tie all the universities to an erroneous residence determination made by one of the institutions.

It should be acknowledged that this bill was drafted in response to a particular case in which a different determination regarding residency appears to have been reached on the same facts by two different state universities. It is significant that this case is the only one of its kind that I can recall in the nearly fifteen years that I have been associated with the Regents institutions. In addition, the Regents are certainly willing to explore avenues that might prevent another isolated instance such as this.

This bill would restrict the ability of the state universities to correct erroneous residence determination when additional information is received. In addition, it is questionable whether a need for the provision actually exists. I will be happy to address any questions the Committee members may have.

House Higher Education Committee

Meeting Date: 2/4/04

Attachment No.: 3



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Testimony regarding H.B. 2506
House Higher Education Committee

February 4, 2003

Mary D. Prewitt
General Counsel, Kansas Board of Regents

Chairman Sloan and members of the Committee, I appreciate this opportunity to appear before you to comment on House Bill 2506 which proposes to make changes to the laws regulating residence for tuition purposes in Kansas.

The bill purports to apply to “regents supervised educational institutions” defined as community colleges, state educational institutions and technical colleges. This definition is inconsistent with the definition of postsecondary educational institutions used in the Higher Education Coordination Act. Because of this inconsistency, it appears that this bill was not meant to apply to Washburn or to technical schools which are also “regents supervised educational institutions” under the Higher Education Coordination Act. For consistency, and to avoid statutory interpretation issues, all bills applicable to higher education institutions in Kansas should use the same definitions as the Higher Education Coordination Act whenever possible.

In addition, since the bill changes many residency rules already on the books, it would seem preferable to make those changes through amendments to existing statutes rather than attempting to layer additional inconsistent rules using differing language on top of the existing structures.

This bill appears to address three separate issues; changing residency rules applicable to military personnel, creating a system for the institutional CEOs to grant exceptions to regular residence rules, and transferring prior determinations of residence status for students who transfer between institutions. I would like to address the latter first because of its effect on the rest of the bill, indeed, on residency in general.

Section 5 of the bill would grant any student who has paid “in-state resident fees” for at least two semesters at any covered institution resident status for tuition purposes at all other covered institutions. It is significant that technical colleges are included in this bill along with community colleges and the six state universities since, for all intents and purposes, there are no out of state fees at technical institutions. Under existing statutes, the only students required to pay out of state tuition at technical institutions are those who actually continue to reside out of state. Any student who normally resides overnight in the state is considered a resident for fee purposes. As a result of that fact, any student who took two consecutive courses at a technical institution could

House Higher Education Committee

Meeting Date: 2/4/04

Attachment No.: 4

thereafter avoid ever paying out of state tuition at any postsecondary institution in the state. This section, as written, could, therefore, render all other residency rules moot.

Assuming that this was not the intent of the drafter, I will address additional problems inherent in the proposal to make residency determinations transfer from one institution, or from one set of institutions, to another. There are currently four separate sets of statutory residency rules applicable respectively to technical institutions, to community colleges, to Washburn and to the state universities. While there are many similarities between the rules applicable to the two and four year institutions, there are also significant differences with significant fiscal implications. Students may establish residence for tuition purposes at community colleges by living within the state for six months while attending classes. At the state universities, however, a student must be a bona fide resident of the state for twelve months prior to enrollment in order to have resident tuition privileges. This bill would effectively do away with out of state tuition at the six state universities for students able to enroll at a community college for two consecutive courses prior to entering the four year institution, resulting in significant fiscal losses, varying in amounts, to the six schools. The amount of these losses is impossible to determine at this point, however, using the difference between in-state and out-of-state tuition and current enrollment as a guide, if ten percent of the students currently enrolled at the University of Kansas as out of state residents were able to take advantage of this provision, the University would lose approximately 4 million dollars per fiscal year. While losses at the other six institutions are not likely to be as great as KU's, the fiscal impact to the six institutions could easily exceed ten million dollars. This would be a devastating blow to the state universities.

I would like to turn to the provisions of the bill concerning the resident fee privileges of military personnel.

Under current residency statutes:

- Kansas residents who enter the military may retain their resident status as long as they do not declare another state as their residence.
- Military personnel who are residents of another state and who are assigned to a duty station in Kansas are immediately eligible for in-state tuition rates.
- Military personnel assigned to a duty station overseas from a Kansas base are entitled to pay resident rates.
- Discharged and retired military personnel who were present in the state for at least two years during their active service and who establish a residence within the state within 30 days of discharge or retirement from a Kansas duty station are entitled to resident rates.
- The high school dependents of military personnel who remain in the state after their parents are transferred to a duty station in another state remain eligible for in-state rates if they enroll within six months of high school graduation.

Section 2(a) first grants the resident fee privilege to any military person assigned to a duty station in Kansas. This privilege already exists in Kansas statutes. [See, K.S.A. 76-729 (b)(2) and K.A.R. 88-3-8; K.S.A. 71-407(a)(1) and K.A.R. 91-25-1a(c)(1)] The section then accords the privilege to the person if they are subsequently transferred out of state. With respect to the

community colleges, this provision appears to be unnecessary as the military resident fee privilege under K.S.A. 71-407(a)(1) and K.A.R. 91-25-1a appears to extend to anyone in the armed services regardless of their duty station. With regard to the six state universities the current privilege is not as extensive, however, dependents who remain in Kansas may pay resident rates. Subsection (b) of section two places restrictions on the ability of these dependents to retain their residence classification that are more restrictive than those currently in effect.

Section 3 of the bill states that a Kansas resident who joins the military after graduating from a Kansas high school, or after attending a Kansas college or university shall retain the resident fee privilege regardless of time away or of the location of duty assignment. For the most part, that privilege already exists in Kansas, however, under current law resident status can be lost if the military person declares residence in another state. It is not uncommon for military personnel to list another state whose tax structure is more favorable to them as their home state. This committee will want to weigh whether they favor rewarding such an approach with continued fee privileges.

Section 4 of the bill allows the president or chancellor of any covered institution to grant exceptions to the general residence rules. The intent of this provision is somewhat unclear but it appears to allow the CEOs a mechanism to deal with particular cases on a case by case basis based upon such factors as property ownership in Kansas and contributions to the Kansas institution. Unfortunately, this provision, given the amount of interest in residency determinations by students and their parents, is likely to place a significant demand on the time of the institutional CEOs. Residency is simply a "hot button" issue. To the extent that a line must be drawn between those who will receive the resident fee privilege and those who will not, there will always be cases that fall close enough to the line to seem unfair. However, allowing the line to be manipulated based upon subjective factors does not remedy that situation; it simply changes the outcome of particular cases and invites more individuals to question the outcome in their particular case.

In summary, this bill appears to have been drafted without reference to existing state laws. It could effectively eviscerate all residence laws currently in place. Since that does not appear to be the intent of the drafters, and since that would result in significant economic loss to the state educational institutions, the Regents do not recommend passage of the bill.

I will be happy to address any questions the Committee members may have.

TO: Kansas Legislative Higher Education Committee

FROM: Deborah Stern, RN, JD
Vice President, Clinical & Quality Services
The Kansas Hospital Association

DATE: February 4, 2004

RE: The Kansas Nursing Workforce Partnership

Good morning. My name is Deborah Stern and I am the Vice President of Clinical & Quality Services at the Kansas Hospital Association. I am here today to speak about a group I chair called the Kansas Nursing Workforce Partnership.

On November 1, 2002 several nursing leaders and educators from across the state were asked to testify before the Legislative Budget Committee regarding the nursing shortage in Kansas. My testimony on that day consisted of providing statistics and theories about the causes of our current shortage of nurses. I also pointed out that there did not exist a statewide group of nursing professionals meeting to discuss and offer solutions to this shortage. At the conclusion of the testimony, Senator Morris asked that those who testified meet and report back to the Committee those ways in which the Legislature could assist with the nursing shortage, preferably without the expenditure of state funds.

On January 7, 2003, I convened the first meeting of the Kansas Nursing Workforce Partnership. Since our humble beginning, we have met quarterly at the Kansas Hospital Association. Our discussions are interesting and exciting. We have discussed such topics as the use of robotic patients for students to use for clinical experiences, fast-track nursing programs for those persons already possessing a baccalaureate degree in a non-nursing major, and most importantly how to communicate useful facts to the legislature regarding the nursing shortage in Kansas.

The Partnership continues to grow and includes a wide spectrum of nursing leaders and experts who deal with nursing workforce issues in Kansas. Our membership consists of representatives from SRS, the Board of Nursing, the Kansas Department of Health & Environment, the Kansas State Nurses Association, the Kansas Board of Regents, the University of Kansas, Pittsburg State, Johnson County Community College, the Kansas Association of Homes and Services for the Aging, the Kansas Association of Community Colleges, the Kansas Association of Technical Schools, the Coalition for the Advancement of Careers in Health Care, the Kansas Association of Colleges of Nursing, the Kansas Council of Associate Degree Educators, the Kansas Federation of Licensed Practical Nurses and the Kansas Medical Society. This is not only an impressive gathering of brainpower but it is a true cross representation of experts who deal with nursing issues on a daily basis.

The Partnership agreed that its primary charge is to provide factual updates on a regular basis to the Legislature (and I thank Sheila Frahm for bringing our group to your attention). We do not want our state's nursing shortage to be a forgotten topic on the back burner.

Without an adequate supply of nurses, hospital patients would be lost as nurses are the only caregivers with them 24 hours a day. Without an adequate supply of nurses, whole communities suffer. Can you picture your town without a school nurse, or your nursing home without nurses? How does Kansas attract new businesses if companies and their employees do not want to locate to our state because of inadequate health care? At the recent Kansas Prosperity Summit meetings, I was not surprised to hear that the need for good health care was a prime topic in every one of the sub-committee discussions.

What the Partnership has learned is that there are no simple answers to this shortage which is caused by a wide range of factors including:

- Growing demand. The Bureau of Labor Statistics reports that nationally, jobs for RNs will grow 23% by 2008. That's faster than the average for all other occupations.
- There are fewer nurses available to replace those who retire or leave for other opportunities. Currently, the ratio of RNs in their 40s to RNs in their 20s is four to one. Over 50% of our nursing instructors in Kansas are over the age of 50.
- The average age of new RN graduates is 31. They are entering the profession at an older age and will have fewer years to work than nurses traditionally have had.
- Data from a study on the aging of the RN workforce shows that the average age of the employed RN has increase more than twice as fast as all other occupations in the United States workforce.
- The average age of employed RNs is 43.3 years, and more than 60% of working RNs are older than 40 years old. In 2010 the average age is projected to rise another 2.1 years and more than 40% of the RN workforce will be 50 years old.
- Between 2010 and 2020, many RNs will retire. About half of the RN workforce will reach retirement age in the next 15 years.
- Since the mid-'80s, women which make up the vast majority of all nurses have selected employment in areas other than in the traditional careers of teaching, secretarial work and nursing.

The good news is that we are slowly seeing enrollment numbers increase in our registered nursing programs. Perhaps due to the recession and the increased in displaced workers, or the feeling that 9/11 instilled in many people to make the world a better place, in 2003, Kansas nursing schools slowly began to experience fuller classrooms. Some schools started waiting lists for students seeking admission to their nursing programs. It must be noted that even if all of our nursing schools were at full capacity, the state would still not have sufficient numbers of nurses to meet the current and future demands for nurses across the state.

The following graphs show the trends in admissions and graduations from nursing schools in Kansas for 1994 to 2003. The first graph shows the decrease in the number of admissions for RN and PN schools. From 1993 to 2000, admissions have decreased across the board with BSN programs down 24.6%, ADN programs down 29.7%, and PN programs down 13%. Graduates in the same time frame have decreased with BSN numbers down 26.8%, ADN down 39.2%, and PN down 28.7%.

Admissions to Nursing Programs in Kansas

| Year | BSN | ADN | Total RN Students | PN |
|------|-----|-----|-------------------|-----|
| 1993 | 792 | 864 | 1656 | 887 |
| 1994 | 688 | 854 | 1542 | 898 |
| 1995 | 634 | 844 | 1478 | 817 |
| 1996 | 601 | 732 | 1333 | 900 |
| 1997 | 575 | 638 | 1213 | 840 |
| 1998 | 523 | 640 | 1163 | 815 |
| 1999 | 457 | 606 | 1063 | 811 |
| 2000 | 481 | 580 | 1061 | 795 |
| 2001 | 488 | 582 | 1070 | 798 |
| 2002 | 501 | 601 | 1102 | 829 |
| 2003 | 597 | 598 | 1195 | 783 |

Graduates of Nursing Programs in Kansas

| Year | BSN | ADN | Total RN Students | PN |
|------|-----|-----|-------------------|-----|
| 1993 | 531 | 732 | 1286 | 782 |
| 1994 | 578 | 713 | 1291 | 749 |
| 1995 | 658 | 730 | 1388 | 704 |
| 1996 | 610 | 669 | 1279 | 674 |
| 1997 | 555 | 579 | 1134 | 648 |
| 1998 | 528 | 554 | 1082 | 584 |
| 1999 | 499 | 506 | 1005 | 658 |
| 2000 | 465 | 499 | 964 | 601 |
| 2001 | 444 | 487 | 931 | 614 |
| 2002 | 465 | 466 | 931 | 614 |
| 2003 | 481 | 445 | 926 | 557 |

The Legislature can help reduce our nursing shortage by addressing the three policy issues that the Workforce Partnership has identified.

NUMBER ONE: Eliminate the Income Cap for Retired Nurses.

The current income cap of \$15,000 for those workers wishing to return to their previous KPERS employer after retirement affects those invaluable nurses who want to return to work for example, at Osawatomie State Hospital or SRS. Eliminating this cap would increase our nursing workforce in often difficult to fill jobs. Last year, House Bill 2127 addressed this issue but the bill did not get out of committee. This year, House Bill 2517 has been introduced and would eliminate the income cap for certain KPERS retirees, namely teachers and those retired nurses wishing to return to work. We support this bill and ask you to do the same.

NUMBER TWO: Consider Increasing the Appropriations Budget for the Kansas Nursing Service Scholarship Program.

The Kansas Nursing Service Scholarship Program was enacted by the Kansas Legislature in 1989. These scholarships are jointly funded by the State of Kansas and a medical provider/sponsor, typically a hospital. The Kansas Nursing Service Scholarship program is vitally important to the several hundred nursing students who rely on this funding to attend school. The maximum annual scholarship stipend is \$3,500 for RN students and \$2,500 for LPN students. The approved FY 2002-2003 state appropriations budget for this program was \$248,563. In 2002, 247 applications were received, 130 scholarships were awarded and 89 applicants were placed on a waiting list. The 2003-2004 state appropriations budget set aside for these scholarships is \$257,780, an increase of \$9, 217. For 2003-2004, 189 applications were received, 113 scholarships have been awarded and 62 applicants were placed on the scholarship waiting list. At a minimum, funding for this program must be maintained but if we were smart, funding for this program would be increased.

NUMBER THREE: Consider Increasing the Funding for Board of Regents Schools.

Last, but not least, all Kansas Board of Regents schools of nursing must be fully funded without the fear of cut-backs and faculty reductions due to budgetary constraints. We cannot grow nurses without funding for nursing programs and adequate salaries for nursing faculty. To have nurses at the bedside and in the community, we must provide the best educational preparation we can muster.

With the help of the Legislature, Kansas can begin to stop the hemorrhaging we are experiencing throughout the state regarding the shortage of nurses and other health care workers.

Thank you for the opportunity to appear before you today.