

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:30 p.m. on January 29, 2009, in Room 545-N of the Capitol.

All members were present except:
Senator Chris Steineger- absent

Committee staff present:
Theresa Kiernan, Office of the Revisor of Statutes
Matt Sterling, Office of the Revisor of Statutes
Martha Dorsey, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Dorothy Gerhardt, Committee Assistant

Conferees appearing before the committee:
Linda Fund, Executive Director, Kansas Association of Community Colleges

Others attending:
See attached list.

Approval of Minutes

Senator Teichman moved to approve the minutes of January 20 and January 21 as written. The motion was seconded by Senator Marshall. Motion carried on a voice vote.

Introduction of Legislation

An act, #9rs0435, concerning school districts relating to school finance, supplemental general state aid, and Chase County was requested by Senator Jim Barnett. It applies to certain counties having a certain size and assessed valuation being guaranteed general state aid in the amount of 12% of their state financial aid.

Senator Teichman moved to introduce the bill. The motion was seconded by Senator Owens. Motion carried on a voice vote.

Senator Steve Abrams requested the introduction of a bill, #9rs0491, allowing a recreation commission to establish a petty cash fund.

Senator Abrams moved to introduce the bill. The motion was seconded by Senator Hensley. Motion carried on a voice vote.

Senator Vicky Schmidt requested the introduction of #9rs0552, a bill regarding disability history and awareness in school districts. She stated this is coming from the Kansas Youth Empowerment Academy whose goal is to learn the legislative process through active involvement and participation in testifying.

Senator Abrams moved to introduce the bill. The motion was seconded by Senator Hensley. Motion carried on a voice vote.

Hearing on SB 11 - Community colleges; acquisition of real property within service area

Linda Fund, Executive Director, Kansas Association of Community Colleges (Attachment 1), provided additional follow-up information on SB 11, specifically Section 1, and whether this was a change in policy with regard to adopting service areas for community colleges. She explained this was a long-standing practice which was originated by the Kansas Department of Education in the 1970's. Senator Abrams voiced the opinion that the idea of service areas should be looked at with the goal of possibly eliminating them. Senator Owens expressed concern with community colleges being given authority to purchase property which would then be removed from tax rolls.

The Kansas Board of Regents also provided written testimony in support of SB 11 (Attachment2).

CONTINUATION SHEET

Minutes of the Senate Education Committee at 1:30 p.m. on January 29, 2009, in Room 545-N of the Capitol.

There were no other conferees to appear before the Committee.

The hearing on **SB 11** was closed.

Senator Vratil moved to recommend **SB 11** favorable for passage, seconded by Senator Teichman. The motion carried.

The next meeting is scheduled for February 2, 2009.

The meeting was adjourned at 2:00 p.m.

EDUCATION COMMITTEE GUEST LIST

DATE: January 29, 2009

NAME	REPRESENTING
Julene Miller	KCBOR
Kip Peterson	KCBOR
HARRY BERG	KAOCT
Tom Burke	KCKCC
David Reist	Hightland Comm. College
Rob MEALY	KENNEDY & ASSOC.
Tom Kuhn	KASB



KANSAS ASSOCIATION OF COMMUNITY COLLEGE TRUSTEES

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January 29, 2009

Good afternoon Madam Chair and Members of the Committee.

Tuesday the Chair asked for further input regarding whether New Section 1 of SB 11 was indeed a change of policy with regard to adopting service areas for community colleges. On behalf of the Kansas Association of Community College Trustees (KACCT), I would like to provide information regarding that request.

New Section 1 was worked out by the Kansas Board of Regents (KBOR), KACCT and the Revisor's Office. In order to allow acquisition of property in the areas each community college serves, there needed to be a reference to service areas and how they were defined. New Section 1 accomplishes that.

My office followed up with Dale Dennis, Kansas Department of Education, to be able to provide more history regarding service areas. Mr. Dennis indicated service areas for community colleges were established in the 1980's and came about originally to resolve issues regarding which colleges could offer courses in what locations. Community colleges raised the issue with the State Board of Education and the Board established service areas. In addition, by "Gentle Person's Agreement", a college can offer services in another service area if the community college in that area approves. Mr. Dennis and KACCT are in agreement that this arrangement has worked out quite well.

The Board of Education voted to adopt the service areas as agreed upon by the community colleges. With passage of SB 345 and coordination of the community colleges being moved to the Board of Regents from the Board of Education, this policy as established at the Board of Education, has been followed as a practice by KBOR though not yet adopted in policy.

By agreement, KBOR has agreed to adopt into policy these service areas as agreed to by the community colleges and in practice for more than twenty years. The service areas agreed to are indicated in the map attached to KACCT written testimony provided Tuesday, January 27.

In addition, I wanted to assure the committee that community colleges seek only to avoid paying unnecessary rent on buildings in areas they are to serve. They will not seek to acquire a lot of property in those counties and remove it from the tax rolls. They seek only a cost effective way to serve students in their areas. They already are authorized to purchase or acquire property in their home county or taxing district. You will recall from testimony on Tuesday that Dr. Burke, was unable to accept a federal building in his service area and has paid out more than \$2 million dollars in rent. David Reist, was unable to simply accept property bequeathed to his college because of the current prohibition. This amendment takes current long-standing practice of service areas and authorizes community colleges to accept or acquire property in service areas rather than expending scarce dollars to rent them. Given the funding of community colleges, I can assure you they cannot buy up a great deal of property in their service areas. The funding simply does not exist at community colleges to do this.

If I can provide further information to the committee, I would be glad to do so. Also here today is a representative from KBOR and Dr. Tom Burke, President of Kansas City Community College, in case we can provide any further information to the committee on SB 11.

Thank you for allowing me to provide this follow-up information regarding SB 11.

Sincerely,


Linda Fund, Executive Director

Kansas Association of Community Colleges

Senate Education
1-29-09
Attachment 1



KANSAS BOARD OF REGENTS

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Memorandum

To: Senate Education Committee
From: Julene L. Miller, Chief Counsel
Re: Senate Bill No. 11 and Community College Service Areas
Date: January 28, 2009

Issue

During the January 27 hearing on Senate Bill 11, questions were raised regarding the history and purpose behind community college service areas, and the Board of Regents' authority to establish such service areas.

Summary

The Board of Regents has never formally adopted a policy defining specific service areas for community colleges. However, the Board has recognized the practice, originally developed by the Board of Education, at the request of and in cooperation with the community colleges. To my knowledge, there has never been any specific statutory authority for either the Board of Education or the Board of Regents to establish enforceable service area boundaries.

History

In the 1970's, the Kansas Department of Education divided the state into service areas for each of the state's nineteen community colleges. Historical documents indicate that the reasons for establishing service areas were to:

- maximize cooperation/communication in offering credit courses off campus;
- refrain from offering unnecessarily duplicated courses;
- maximize quality instruction off campus; and
- provide access to appropriate support resources for credit courses.

In 2003, the Board of Regents initiated a comprehensive review of service areas. The System Council of Presidents (made up of CEOs from the community colleges, technical colleges, Washburn and the state universities) was asked to undertake the review and, with regard to community college service areas, determine 1) whether there is a persuasive rationale for the continuation of the three service areas; 2) if so, to articulate that rationale; and 3) if the service

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areas should continue to be recognized, to make recommendations for any boundary alterations or other adjustments in how the service areas are utilized. In a January 2004, KBOR agenda issue paper, KBOR staff wrote:

“Community College Service Areas

“Persuasive Rationale

“The general consensus [of the System Council of Presidents] was that a persuasive rationale supports the maintenance of this general approach [i.e., the Kansas Department of Education-adopted policies that divide the state into nineteen service areas, one for each of the community colleges]. That rationale is anchored in the following observations about the value of community college service areas:

- Helps to prevent duplication
- Helps to prevent the emergence of unproductive competition among institutions
- Fosters cooperation and collaboration
- Ensures program delivery to rural areas and prevents a “mad dash” to serve the state’s population centers
- Existing policies protect the state from chaos in terms of any college offering courses in another’s service area without consent of the designated provider
- One rationale for policy continuation generally revolves around established relationships and the investments that colleges have already made to meet service area obligations
- Service area policy has produced strong partnerships between colleges, communities in their respective service areas, and USDs in those areas
- The service area concept has served the state well for over 25 years. While the popularity of on-line courses is beginning to blur the service area lines, the cooperative efforts derived from the service area model continue to provide benefits for Kansans.

“Recommendations for Change

“Embrace the Lt. Governor’s recommendation that would render service area boundaries inapplicable for the purposes of Department of Commerce-led customized business and industry-training efforts that are pursued in connection with Commerce’s IMPACT, KIT, and KIR programs.”

The Board adopted the recommendation making service area boundaries inapplicable for the IMPACT, KIT and KIR programs but otherwise left the KSDE established boundaries unaltered. Subsequently, once in 2005 and once in 2006, the Board acceded to community college requests

to alter certain boundaries. On none of these occasions did the Board initiate change or “codify” the service areas into Board Policy.

In summary, the Board of Regents has not adopted a formal policy on service areas applicable to community colleges but have allowed the prior practice developed by the Kansas Department of Education to continue, with the exception of not recognizing them for purposes of IMPACT, KIT and KIR.

Senate Bill 11

As originally drafted by the KACCT and approved by the community colleges and KBOR, Senate Bill 11 authorized each community college to purchase real property outside of that community college’s community college district (defined in K.S.A. 71-701 as its taxing district), but not outside of the community college’s “service area.” What is now New Section 1 was not in the original proposal. The Revisor’s Office believed that the term “service area” should be defined. KACCT and Board staff agreed that the best way to do this would be to have the legislation refer to the existing map illustrating the recognized service area boundaries. Because the Revisor believed the map would need to be “codified” somehow in order for the legislation to reference it, Section 1 was added to the bill to provide the Board with this authority. If this provision is enacted, appropriate action will be taken in accordance with the bill to include the map in the Board’s policy manual.