

SESSION OF 2002

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2642

As Amended by Senate Committee of the Whole

Brief*

HB 2642, as amended, concerns the Kansas National Guard Educational Assistance Program and the Kansas Teacher Service Scholarship Program which provide assistance for tuition and fees at Kansas postsecondary educational institutions in return for a service commitment in the Kansas National Guard or as a teacher. Major provisions of the bill include the following changes to the Kansas National Guard Educational Assistance Program:

- Individuals would be eligible for assistance immediately upon enlistment in the Kansas National Guard. Presently, Guard members must complete basic military training before they can participate in the program.
- Individuals who participate in the program would be required to serve in the Kansas National Guard one and one-half years for each year of assistance. Because an individual has to be active in the National Guard in order to participate in the program, part of the service commitment could be fulfilled concurrently with the benefit. Under current law, there is a four-year service obligation, regardless of the length of time an individual participates in the assistance program.
- Tuition and fees would be paid directly to the educational institution (state university, community college, Washburn University, area vocational school, technical college, or accredited independent institution) in the form of a waiver. Presently, the student has to make an out-of-pocket payment for tuition and fees and then wait to be reimbursed.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.accesskansas.org/legislature/>

- A member of the Kansas National Guard who is eligible for federal student assistance available to certain members of the Guard must apply for and use that assistance before receiving assistance under the state program. There currently is no such requirement.
- The “Kansas National Guard Educational Assistance Program Repayment Fund” would be created and any repayments from Guard members who participate in the assistance program, but who do not fulfill their service commitment, would be credited to the Fund. Recouped payments would be used for other National Guard scholarships. Under current law, recouped payments are credited to the State General Fund.
- Administration of the program would be transferred from the Office of the Adjutant General to the State Board of Regents.

The bill as amended also removes the present limit of 50 new awards annually under the Kansas Teacher Service Scholarship Program.

Background

HB 2642 was introduced by the Legislative Educational Planning Committee at the request of the Adjutant General. The Kansas National Guard Educational Assistance Program is one of several student assistance programs provided by the state whereby a student who participates in the program agrees to fulfill a service commitment in a specific occupation or activity following graduation or completion of training. Persons who fail to complete the service commitment must repay the amount of assistance, plus interest. The Kansas National Guard Educational Assistance Program provides assistance to approximately 300 members of the Kansas National Guard annually. The appropriation for the program in the current school year is \$497,218, of which \$247,218 is from the State General Fund and \$250,000 is from the Economic Development Initiatives Fund.

According to representatives of the Adjutant General, the recommendation to move administration of the Kansas National Guard Educational Assistance Program from the Adjutant General's Office to

the State Board of Regents is due to the State Board's expertise and experience in administering student assistance programs.

The House Higher Education Committee made several technical or clean-up amendments to the bill, such as removing an obsolete reference to the State Board of Education and clarifying the service commitment requirement to be an additional three months for each semester of assistance (for a total of six additional months for each year). The policy change made by the House Committee concerns the provision that federal student assistance available to Army members of the Kansas National Guard must be used before the individual is eligible to receive assistance under the state program. The change was made at the request of the Adjutant General's Office.

A representative of the Adjutant General's Office appeared before the House Committee in support of the bill. Also testifying was a representative of the State Board of Regents. The State Board staff currently administers 15 student financial assistance programs and disburses about \$16.0 million to nearly 11,000 students. The representative said the State Board is not opposed to assuming the duty of administering the National Guard Educational Assistance Program, but testified that in recent years the State Board has had to absorb additional duties without corresponding increases in staff. Therefore, the existing staff of 4.0 FTE positions who work with student assistance programs could not absorb the additional duty without adding another position.

According to a fiscal note prepared by the Division of the Budget, the cost in FY 2003 of adding 1.0 FTE position to the staff of the State Board of Regents (a Senior Administrative Assistant position) would be \$32,000. The amount includes salary and other expenses, such as office equipment and furniture, which would be one-time expenses the first year. However, the Division of the Budget contends that the current workload of administering the program is small and is absorbed by an existing position in the Adjutant General's Office. For that reason, the Division of the Budget concludes that "passage of HB 2642 may not require any additional staff in the Board of Regents." The Adjutant General's Office states that passage of the bill would not affect the agency's current staffing level because no one position is devoted exclusively to administering the program.

The Senate Committee on Ways and Means amendments were technical in nature.

The Senate Committee of the Whole amended the bill to incorporate the provisions of SB 393 concerning the Kansas Teacher Service Scholarship Program.