

**House Higher Education Budget Committee Proponent
Testimony of HB 2120**

February 3, 2025

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Good afternoon, Chairman Howe and Members of the Committee. Thank you for the opportunity to provide proponent testimony on HB 2120. This legislative proposal pertains to the sale of properties owned by Kansas State University in Riley County, Kansas, and Douglas County, Nebraska.

Kansas State University seeks approval to sell Unger Complex and 6.54 acres in Manhattan, KS. Unger Complex is located southwest of the main campus and serves as office space for various administrative units. Operations currently performed in Unger Complex will be moved to campus proper in alignment with university initiatives to reduce our deferred maintenance backlog and improve space utilization. Selling the property will reduce our deferred maintenance backlog by approximately \$38 million and will eliminate approximately \$500,000 in annual operating and maintenance costs. The estimated sale proceeds of \$3.5 million would be used to address additional deferred maintenance issues in other Manhattan campus buildings.

Additionally, Kansas State University Veterinary Medical Center seeks approval to sell the College of Veterinary Medicine building in Omaha, NE. This property was originally purchased through the KSU Foundation and used for the College of Veterinary Medicine to operate a satellite veterinary referral clinic where doctoral students participated in clinical rotations. The college no longer operates the referral clinic. Instead, the building is currently leased to VCA, a private veterinary clinic. The sublease is currently in the last year of its second renewal term. Local entities have expressed interest in purchasing the building. The sale would generate an estimated \$1.1 million in revenue that once deposited into the restricted fees fund would be deployed to renovate teaching spaces in Mosier and Trotter Halls to address critical deferred maintenance and upgrade equipment used for teaching in the Doctor of Veterinary Medicine program.

In conclusion, Kansas State University urges the favorable passage of HB 2120. The sale of these properties eliminates the university's ongoing maintenance expenses, while generating revenue that can be strategically invested in essential deferred maintenance projects on campus. These infrastructure improvements will directly benefit both students and employees.

Thank you, again, for the opportunity to testify on this matter. I am available to answer any questions or provide further information as needed.