SESSION OF 2025

SECOND CONFERENCE COMMITTEE REPORT BRIEF SENATE BILL NO. 24

As Agreed to March 26, 2025

Brief*

SB 24 would expand the eligibility requirements for postsecondary education institutions to participate in the Kansas Promise Scholarship Program and increase the maximum amount that could be appropriated to the program.

Eligible Postsecondary Educational Institution

The bill would expand the definition of "eligible postsecondary educational institution," on and after July 1, 2026, to include any institution with its main campus or place of operation in Kansas that offers a Kansas Promise Scholarship-eligible program, is recognized by the State Board of Regents, is nationally accredited, and is eligible to receive funding under Title IV of the Higher Education Act of 1965. [*Note:* This would expand eligibility for the Kansas Promise Scholarship Program to include the Wichita Technical Institute and the Heartland Welding Academy in 2026.]

Maximum Cap Increase

The bill would increase the maximum amount that could be appropriated to the Kansas Promise Scholarship Program from \$10.0 million to \$15.0 million.

Conference Committee Action

The second Conference Committee agreed to remove the contents of SB 24, as amended by the House Committee on Insurance, and insert the language of SB 44, as amended by the House Committee of the Whole. The Conference Committee further amended the bill to delay the enactment of the change to "eligible postsecondary educational institution" to on and after July 1, 2026.

[*Note:* The original contents of SB 24, related to authorizing the Commissioner of Insurance to set the amount of certain fees, are similar to contents found within HB 2050, as amended by the Senate Committee on Financial Institutions and Insurance.]

^{*}Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <u>https://klrd.gov/</u>

Background

SB 44

The bill was introduced by the Senate Committee on Education at the request of a representative of the Wichita Technical Institute.

Senate Committee on Education

In the Senate Committee hearing, **proponent** testimony was provided by representatives of the Heartland Welding Academy, Wichita Regional Chamber of Commerce, and Wichita Technical Institute, who generally stated that workforce concerns are the main reason for requesting the bill, and that the Promise Scholarship helps keep students in the State of Kansas. The proponents also stated that after two years of the Promise Scholarship being in place, the ceiling for funds has been reached, and they would like the Senate Committee to consider increasing funds or including students from outside of Kansas.

Written-only proponent testimony was provided by a representative of LeadingAge Kansas.

Written-only **opponent** testimony was provided by a representative of Kansas Technical Colleges.

Neutral testimony was provided by representatives of the Kansas Association of Community Colleges and the State Board of Regents, who generally stated that serving students continues to be the priority of the scholarship program, but there are concerns with staffing and money reserves. The representatives stated that the bill would need to increase funding to the scholarship for it to continue to best serve the students of Kansas.

No other testimony was provided.

Senate Committee of the Whole

The Senate Committee of the Whole amended the bill to increase the maximum appropriation cap from \$10.0 million to \$15.0 million. [*Note:* The Conference Committee retained this amendment.]

House Committee on Education

In the House Committee hearing, **proponent** testimony was provided by representatives of the Heartland Welding Academy, Wichita Regional Chamber of Commerce, and Wichita Technical Institute. The testimony was similar to the testimony provided to the Senate Committee.

Written-only proponent testimony was provided by representatives of the Kansas Chamber, LeadingAge Kansas, and the Wichita Technical Institute.

Neutral testimony was provided by representatives of the Kansas Association of Community Colleges and State Board of Regents, whose testimony was similar to the testimony provided to the Senate Committee. The conferees expressed support for the amendment made by the Senate Committee of the Whole.

No other testimony was provided.

House Committee of the Whole

The House Committee of the Whole amended the bill to change the effective date to be upon publication in the *Kansas Register*. [*Note:* The Conference Committee did not retain this amendment.]

Fiscal Information

SB 44

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the State Board of Regents (Board) indicates enactment of the bill would expand the number of students eligible for the Kansas Promise Scholarship Program. If the bill is enacted, the Board indicates the Heartland Welding Academy and Wichita Technical Institute would qualify for the scholarship, and additional institutions may qualify in the future. Because of the scholarship's annual appropriation limit of \$10.0 million SGF, the Board estimates that eligible applicants would be denied awards rather than increasing the overall total. This would affect not only the 2 new institutions, but also the 32 schools that received funding in FY 2024.

If the \$10.0 million State General Fund (SGF) limitation is adjusted, the Board estimates additional expenditures of \$1.6 million SGF in FY 2026 and \$1.6 million SGF in FY 2027 would be needed to fund students who complete their programs and qualify for the Kansas Promise Scholarship Program. The Board states that as tuition costs rise, additional funding would be needed in future fiscal years.

The Board also notes that if the bill is enacted without additional funding, there would be an increase in staff time to manage the increased applications and maintain a waiting list of eligible applicants. If the Kansas Promise Scholarship Program would be changed to allow for additional funds, there would still be an increase in staff time to manage the increased applications. Any fiscal effect associated with the bill is not reflected in *The FY 2026 Governor's Budget Report*.

Education; Kansas Promise Scholarship Program; Postsecondary educational institutions; Board of Regents

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