

February 14, 2011

The Honorable Jean Schodorf, Chairperson
Senate Committee on Education
Statehouse, Room 236-E
Topeka, Kansas 66612

Dear Senator Schodorf:

SUBJECT: Fiscal Note for SB 143 by Senate Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning SB 143 is respectfully submitted to your committee.

SB 143 would create the Postsecondary Tiered Technical Education State Aid Act, replacing the current funding structure. In each fiscal year, beginning with FY 2012, each community college, technical college and the Washburn Institute of Technology would be eligible for postsecondary tiered technical education state aid from the State General Fund for credit hours approved by the State Board of Regents and delivered by the institution to students who are residents of Kansas, in an amount to be determined by the Board using a credit hour cost calculation model. The model would:

1. Be tiered to recognize and support cost differentials in providing high-demand, high-tech training;
2. Consider target industries critical to the Kansas economy;
3. Be responsive to growth;
4. Consider local taxing authority for credit hours generated by in-district students; and
5. Include other factors and consideration as considered necessary or advisable by the Board of Regents.

The Board would establish the rates to be used as the state's share in a given year, as well as in the actual distribution. No amount of tiered technical education aid would be based upon non-tiered course credit hours. Procedures are provided to withhold funding if the requirements of the Act are not complied with.

SB 143 would establish a Postsecondary Technical Education Fund in each community college and at Washburn University for the Washburn Institute of Technology. All money received by these institutions for establishing, conducting, maintaining and administering any technology program would be deposited in these funds. In addition, money received by technical colleges for delivering tiered or non-tiered courses would be placed in the institutions general operating fund. The bill provides management requirements for these funds.

The Honorable Jean Schodorf, Chairperson

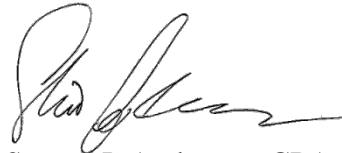
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The bill provides that each community college and technical college is eligible for a grant from the State General Fund, in an amount determined by the Board of Regents for non-tiered course credit hours that have been approved by the Board and delivered by the community college. The method of distribution would be established by the Board after dialogue with the community college presidents.

Funding for technical colleges is determined by appropriations by the State Legislature. The bill would have no fiscal effect unless additional funding was appropriated by the Legislature. The Governor's budget assumes continuation of the current system.

Sincerely,

A handwritten signature in black ink, appearing to read "Steven J. Anderson", with a long horizontal flourish extending to the right.

Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Diane Duffy, Board of Regents