



Kansas Independent  
College Association

**Testimony for the House Education Budget Committee  
January 24, 2013  
Matt Lindsey, President  
Kansas Independent College Association**

Mister Chairman and members of the committee, thank you for the opportunity to provide testimony regarding the Kansas Independent Colleges and their support for House Bill 2018. I am Matt Lindsey, president of the association that represents 18 of the state's independent colleges, all of whom are not-for-profit institutions of higher education, accredited by the North Central Association, Higher Learning Commission.

For those of you unfamiliar with the high quality independent colleges in Kansas, I have distributed a handout we prepare annually that shows in some detail where they are located and a few brief facts on us as a whole and the value we provide the citizens of Kansas.

Kansas independent colleges include the state's oldest institutions at Baker University and Benedictine College, both founded in 1858, and the youngest institutions in Kansas at MidAmerica Nazarene University, founded in 1966. Our 18 colleges and universities serve 24,572 total students as of Fall 2012. Among all of the 4-year institutions in the state – public and private – Kansas' independent colleges award nearly 25% of the state's bachelor's degrees each year, and nearly 30% of the master's degrees. These colleges are vibrant, student-centered, entrepreneurially-minded, and focused on providing personal attention to each student who walks in our halls. That may be why 71% of our students graduate in four years, a fact we are

proud of just like we're proud of the high proportion of our graduates who stay in Kansas, raise a family, and become productive members of their community.

Moreover, our colleges, while generally small, are important players in the state's economy, both today and in the years to come. The operating budgets of our colleges ripple out into the local economies of their communities, providing some of the most important sources of financial stability during a trying economic time. But more important, our colleges are strengthening our communities, our state and our nation's capacity to respond to economic challenges, today and five and ten years from now, by preparing teachers, nurses, business leaders, legislators, pastors, software designers, and others.

I include these facts and observations to make an important point: our colleges are an essential part of the broad gamut of Kansas' higher education system. While we are not regulated by the Kansas Board of Regents, we remain deeply committed to a shared vision that Kansas will thrive if every Kansan has access to a high-quality post-secondary education that fits that individual student's abilities, interests, and learning styles. Our colleges do not exist to make a profit. We exist to serve the common good of this state and its people.

We share this commitment to the common good of Kansas with our friends and colleagues at the state's great public universities, community colleges, and K-12 public schools. While our means of delivering this service may vary, the intent is the same.

It is because we share this commitment that Kansas' independent colleges urge you to vote in favor of House Bill 2018.

As brief background, people are increasingly turning to credit cards and their analogues to pay their bills even for tuition, room and board, and other educational fees. Credit card companies charge merchants a service or "convenience" fee on every transaction where a customer pays with a credit card. Current state law prohibits merchants in the Kansas from imposing a surcharge on customers who use a credit card in order to recover the cost of the service fees. Kansas is one of only ten states who have such a prohibition. However, KSA 75-30,100

provides an exemption from this prohibition for State agencies, including state colleges and universities. In other words, Kansas' public colleges and universities are permitted to pass the service fee on to those individuals who choose to use a credit card to pay their bills.

Meanwhile, the 18 independent, not-for-profit, institutions – who share the commitment to increasing post-secondary education in Kansas and who are part of a vibrant system that helps the entire state thrive – these 18 institutions must absorb those costs that the financial industry levies on usage of credit cards. Under current law, we are not permitted to recover the costs of the service fees from those who choose to use pay with a credit card. The non-profit independent colleges are treated as if we are no different than Wal-Mart, Best Buy, Home Depot or any other for-profit merchant. But the retailers and other merchants of this state do not exist to serve the educational needs of Kansans. We, like the public institutions, serve the common good. House Bill 2018 recognizes our role ensures we are treated fairly and equally.

One primary reason the public universities are exempt is so that they can devote more of their limited budgets toward actual, mission critical educational activities that serve the good of the state and its students. The same should be true for our not-for-profit independent colleges. Under the current system, many of our colleges pay service fees to the credit card companies in between \$75,000 and \$100,000 per year, challenging our small college budgets.

I stand before you asking simply that our colleges to be treated equally with our brethren at the public institutions. We support House Bill 2018 because of our unique role in Kansas' higher education landscape as we continue to serve the state's college students and their families as best we are able.

Thank you for the opportunity to come before you on this issue. I am happy to answer any questions you may have.

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