Approved: April 14, 2016

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairperson Ty Masterson at 10:30 am on Thursday, March 03, 2016, 548-S of the Capitol.

All members were present

Committee staff present:

David Wiese, Office of Revisor of Statutes Scott Abbott, Office of Revisor of Statutes J. G. Scott, Legislative Research Department Bobbi Mariani, Legislative Research Department Shirley Morrow, Legislative Research Department Dezeree Hodish, Legislative Research Department Debbie Luper, Chief of Staff Dee Heideman, Committee Assistant

Conferees appearing before the Committee:

Dr Gary Pierzynski, Head, Agronomy Department, Kansas State University
Mike Calvert, President, President of Pratt Community College
Jim Genandt, President, Manhattan Area Technical Colleges
Blake Flanders, President & CEO, Kansas Board of Regents
Sheree Utash, President, Wichita Area Technical College
John O'Leary, Vice President and General Manager, Airbus
John Bardo, President, Wichita State University
Linda Fund, Executive Director, Kansas Association of Community College Trustees

Others in attendance:

See Attached List

Point of personal privilege:

Senator O'Donnell introduced his pages from Sunset Christian Academy, Kaitlyn Lumbert, Emily Womack, Peyton Eckhart, Jessica Klein.

Chairperson Masterson welcomed Andover Superintendent Greg Rasmussen (USD385) and a group of students from the Student Advisory Council from Andover Central High School.

Bill Introductions:

<u>Senator Francisco introduced proposed legislation concerning open meetings, relating to justifications</u> for closed or executive meetings. Senator Kelly seconded the motion with the motion being adopted on a voice vote.

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Senator O'Donnell introduced proposed legislation relating to dry hemp preparation treatments. The motion was seconded by Senator Fitzgerald and the motion was adopted on a voice vote.

<u>Senator O'Donnell introduced proposed legislation concerning physical therapy, relating to scope of practice, dry needling. The motion was seconded by Senator Fitzgerald which was adopted on a voice vote.</u>

<u>Hearing on: SB404 — Authorizing the state board of regents on behalf of Kansas state university to sell certain real property in Riley county, Kansas.</u>

The Chairperson opened the hearing on **SB404**.

David Wiese, Assistant Revisor, Office of the Revisor of Statutes explained that the bill authorizes the Kansas Board of Regents on behalf of Kansas State University to sell certain real property in Riley County, Kansas (Attachment 1).

Proponents:

Senator Hawk introduced Gary Pierzynski Agronomy Department Head, Kansas State University, who spoke to the committee as a proponent to the bill which would authorize a sale and exchange of land which is used by the Agronomy Department at Kansas State University (Attachment 2).

Opponents - Neutral:

There were no opponents, or neutral parties to come before the committee.

The Chairperson closed the hearing on **SB404**.

Hearing on: SB420 — Amendments regarding courses offered in community college service areas and the funding thereof.

The Chairperson opened the hearing on **SB420**.

David Wiese, Assistant Revisor, Office of the Revisor of Statutes gave the bill brief on **SB420** which concerns courses offered in community college service areas and their funding streams (Attachment 3).

Senator Denning asked Mr. Wiese if the CEOs of the Community Colleges have authority in the current bill to make the decisions that are outlined in <u>SB420</u>. Mr Wiese said they did not have authority in the current bill to make those decisions, but this bill would give them the authority.

Proponents: Mike Calvert, President, Pratt Community College encouraged passage of this bill with the balloon amendments because he said, with the bill's passage, it would afford the community colleges the same rights as the universities (Attachment 4).

Senator Francisco said the bill makes an exception for agriculture and applied science classes at Kansas State University, and since it affects several other universities similarly, she asked if an exception was

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considered for the Johnson County Community College Edwards campus, where Kansas University offers classes. Mr. Calvert said he was not familiar with any exceptions being considered for the Edwards campus or any others.

Opponents:

Jim Genandt, President, Manhattan Area Technical College, appeared in opposition on behalf of the Kansas Association of Technical Colleges. He said the members are concerned that the changes proposed in the bill will have a negative impact on Kansans' current access to postsecondary education, particularly high school students (Attachment 5).

Blake Flanders, President and CEO, Kansas Board of Regents, spoke in opposition to the bill. He outlined three examples of unintended consequences that the bill may cause for the Kansas postsecondary system (Attachment 6). Mr. Flanders distributed a map which showed the service areas for the state universities, Washburn University, the community colleges, and the technical colleges (Attachment 7).

Senator Kelly asked Mr. Flanders to further explain the implications of this bill and why is it problematic. Mr. Flanders said <u>SB420</u> creates competition between institutions. He said Kansas University has an Edwards campus established years ago, and they have an excellent relationship with Johnson County Community College.

Senator Arpke asked what the economic reason was for creating these service areas. Mr. Flanders said it was intended to prevent duplication.

Senator Melcher said he was confused who is affected by this bill, and asked if it was community colleges and/or the universities. Mr. Flanders said it will affect community and technical colleges, and the universities.

Neutral:

There were no neutral parties to come before the committee.

The Chairperson closed the hearing on **SB420**.

<u>Hearing on: SB451 — Consolidation of Wichita state university and Wichita area technical college.</u>

The Chairperson opened the hearing on **SB451**.

Scott Abbott, Assistant Revisor, Office of the Revisor of Statutes, presented the bill brief for <u>SB451</u>. He explained that the bill authorized the merger of the Wichita Area Technical College (WATC) into Wichita State University (WSU). The infrastructure of WATC would be designated as Wichita State University School of Technology and Applied Science (Attachment 8).

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Proponents:

Sheree Utash, President, Wichita Area Technical College, encouraged passage of <u>SB451</u> which would enable WATC and WSU to move forward with a proposed merger. She said she feels that mergers like these are the future of higher education, in which institutions with capabilities in various fields come together for the betterment of students, businesses and service areas. (<u>Attachment 9</u>).

Also speaking for passage of this bill was John O'Leary, Vice President and General Manager, Airbus, and Dr. John Bardo, President, Wichita State University. Neither of these speakers supplied written testimony.

Senator Arpke asked if there will be a return on investment on this project. Dr. Bardo responded that since the merger was in the preliminary stage, he did not know what the ROI would be; however, he did say it would be revenue neutral.

Senator Arpke asked Blake Flanders to forward to the committee the letters he received from each of the community colleges in the Wichita surrounding area delineating what they perceive as the to the pros and cons associated with the merger and consolidation.

Opponents:

Linda Fund, Executive Director, Kansas Association of Community College Trustees, said she opposed the bill because the funding streams need to be clarified. She said she was not opposed to the merger, just the funding in the bill as she interpreted it (Attachment 10).

Senator Kelly remarked that when Washburn University and Washburn Tech merged there were no problems, and she asked Ms. Fund why there is a problem with WSU and WATC. Ms. Fund said Washburn and Washburn Tech was an affiliation and not a merger and the affiliation did not create any more general education hours. Senator Kelly asked if there is a way this partnership could be made workable. Ms. Fund said she thought the differences could be worked out.

Senator O'Donnell asked Ms. Fund if she knew better about this merger than the Boards and Presidents of the two entities involved. She said she did not; she was concerned only with the funding but not opposed to the merger.

Neutral:

There were no neutral parties to come before the committee.

The Chairperson closed the hearing on **SB451**.

Information concerning actual and approved expenditures for this fiscal year was distributed to the committee from Bobbi Mariani, Managing Fiscal Analyst, Legislative Research Department for the Family Planning Services Title X funding in the Department of Health and Environment. Senator

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Francisco requested this information in the Senate Ways and Means Committee on March 2, 2016 (Attachment 11).

Possible action on bills previously heard

There was no action taken on bills previously heard.

The next Ways and Means Committee meeting is scheduled for Monday, March 7, 2016, at 10:30 a.m., in Room 548-S at the Capitol.

Chairperson Masterson adjourned the meeting at 12:03 p.m.