

SESSION OF 2023

**SUPPLEMENTAL NOTE ON SUBSTITUTE FOR HOUSE  
BILL NO. 2414**

As Recommended by House Committee on  
Commerce, Labor and Economic Development

**Brief\***

Sub. for HB 2414 would create a matching grant program within the Department of Commerce to provide grants to eligible institutions of higher education based on the number of engineering program graduates of the institution.

The program would expire on July 1, 2033.

***Matching Grants***

The bill would provide for grants to be made by the Secretary of Commerce to state educational institutions and members of the Kansas Independent College Association as of July 1, 2023, if the institution has its primary locations in Kansas and has an engineering program accredited by the Accreditation Board for Engineering and Technology.

Grants would require a dollar-for-dollar match with funds from non-state sources and would be at least \$20,000 per graduate from an accredited engineering program, including computer engineering or computer science, from the immediately preceding academic year to the extent the number of engineering graduates exceeds the institution's threshold amount. Graduate thresholds would be:

- Kansas State University – 586 graduates;

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

- University of Kansas – 419 graduates;
- Wichita State University – 360 graduates; and
- Private, independent colleges and other state educational institutions with accredited engineering programs – 1 or more graduates.

Grant amounts would be prorated if the total amount of funds is insufficient for each grant to be \$20,000.

### ***Uses of Grant Proceeds***

The Secretary of Commerce would be required to consult and coordinate with eligible institutions of higher education, the Kansas State Board of Regents, and private industry in planning and developing uses for matching grant funding and would be required, on or before January 10, 2024, and annually thereafter, to report to the House Committee on Commerce, Labor and Economic Development and the Senate Committee on Commerce, or any successor committees, on the uses of grant funding and the progress made toward the goals of the bill.

The bill would authorize grant proceeds to be used for:

- Awarding scholarships to undergraduate engineering students;
- Recruiting undergraduate students for engineering programs;
- Expanding the number of potential engineering students through engineering-related activities in secondary schools in Kansas;
- Funding internships for undergraduate engineering students;

- Making necessary facility improvements or equipment purchases to expand engineering program course offerings; and
- Hiring additional faculty or enhancing faculty salaries in the institution's engineering program.

The bill would prohibit using grant funds to acquire or construct any facilities.

### ***Engineering Graduate Incentive Fund***

The bill would create the Engineering Graduate Incentive Fund (Fund) within the state treasury. The Secretary of Commerce would administer the Fund. Expenditures from the Fund would provide matching grants.

The bill would provide, subject to appropriation acts, for a transfer of \$1.5 million to be made from the State General Fund to the Fund in FY 2024 and a transfer of twice the amount of funds expended in grants in the prior fiscal year, not to exceed \$5.0 million, from the State General Fund to the Fund in all years thereafter. The balance of the Fund following such transfers would be limited to \$5.0 million, and any transfers to the Fund would be reduced accordingly.

Expenditures from the Fund would be made in accordance with appropriations acts upon warrants of the Director of Accounts and Reports pursuant to vouchers approved by the Secretary of Commerce.

### ***Definitions***

The bill would define the terms "eligible institution of higher education," "engineering program" or "accredited engineering program," "qualified eligible institution of higher education," and "Secretary."

## **Background**

The bill was introduced by the House Committee on Appropriations at the request of Representative Rahjes.

### ***House Committee on Commerce, Labor and Economic Development***

In the House Committee hearing, **proponent** testimony was provided by representatives of the Kansas Independent College Association, Benedictine College, and Friends University. The proponents generally stated the bill would extend a program designed to increase the number of engineering graduates in Kansas to additional undergraduate engineering programs.

Written-only proponent testimony was provided by a representative of the Kansas Chamber of Commerce.

**Opponent** testimony was provided by representatives of the Kansas Board of Regents and Kansas Society of Professional Engineers. The opponents generally stated the bill would expand access to the engineering program without providing additional funding, thereby diluting the effect of the program.

Written-only opponent testimony was provided by a representative of the American Council of Engineering Companies of Kansas.

The House Committee amended the bill to replace the contents of the bill as introduced, which would have extended the Kan-Grow University Engineering Initiative to certain private postsecondary institutions, with the above-described contents and recommended a substitute bill be created.

## **Fiscal Information**

A revised fiscal note on the substitute bill was not available when the House Committee recommended the substitute bill.

Education; higher education; engineering; Engineering Graduate Incentive Fund