

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:00 a.m. March 9, 2011, in Room 784 of the Docking State Office Building.

All members were present.

Committee staff present:

Sharon Wenger, Kansas Legislative Research Department
Reagan Cussimano, Kansas Legislative Research Department
Eunice C. Peters, Kansas Revisor of Statutes
Norm Furse, Kansas Revisor of Statutes
Jason Long, Kansas Revisor of Statutes
Dale Dennis, Deputy Commissioner, Kansas State Department of Education
Jan Johnston, Committee Assistant

Conferees appearing before the Committee:

Robert Edleston, Kansas Association of Technical Colleges
Dr. Andy Tompkins, Board of Regents
Blake Flanders, Board of Regents

Written testimony only:

Edward Berger, President of Hutchison Community College

Others attending, see attached sheet.

SB 13 - Career and technical education; amendments

Chairman Aurand opened the hearing on **SB 13**.

Eunice Peters, Office of the Revisor of Statutes explained SB 13 as some technical corrections.

Questions and answer session followed Ms. Peters explanation.

Dr. Andy Tompkins asked if he and Blake Flanders could present their testimony during the hearing on **SB 143**. He wished to address both **SB 13** and **SB 143** at the same time.

Robert Edleston, President, Kansas Association of Technical Colleges spoke to the committee as a proponent on **SB 13**. There has been a great deal of progress made in the efforts to strengthen and improve the professional operations of Kansas Two-Year institutions. The actions taken to transfer higher education operations, other than Regents Universities, from the Department of Education to the Kansas Board of Regents, the creation of technical colleges and the transformation of technical schools into a variety of effective operational entities have been laudable.

The Kansas Association of Technical Colleges endorses the recommended changes and lauds the Kansas Board of Regents and the Kansas Revisors for their work in this area. We therefore respectfully request approval of this Bill. (Attachment 1)

Questions and answer session followed the presentations.

Chairman Aurand closed the hearing on **SB 13**.

SB 143 - Creating the postsecondary tiered technical education state aid act

Chairman Aurand opened the hearing on **SB 143**.

Eunice Peters, Office of the Revisor of Statutes explained **SB 143** to the committee.

Dr. Andy Tompkins, Kansas Board of Regents, introduced Blake Flanders, Vice President of Workforce Development for the Kansas Board of Regents. Mr. Flanders spoke to the committee as proponent of **SB 143** and **SB 13**. Both **SB 13** and **SB 143** respond to the legislative charge. **SB 13** is requested to continue the process to review and identify statutes as needed revision to reflect current

CONTINUATION SHEET

Minutes of the House Education Committee at 9:30 a.m. on March 9, 2011, in Room 784 of the Docking State Office Building.

practice and terminology or repeal if obsolete. (Attachment 2)

Robert Edleston, President, Kansas Association of Technical Colleges spoke to the committee as a proponent on **SB 143**. The time has come for us to report back to the Legislature as we were instructed to do five years ago. Since early 2006 you have been listening to Kansas' two-year colleges tell you that Technical Education Doesn't Cost...It Pays. We told you that we were one of the only entities funded by the Kansas Legislature that actually makes money for State government through your investment in our programs. Some estimates had put the return on investment as high as \$16/\$1, but it varies depending upon how much the program actually cost to operate. At Manhattan Area Technical College we recently demonstrated to the City of Manhattan that an investment of \$291,000 in our College could generate \$23 million in revenue through worker salaries over a twelve year period.

It is imperative that you approve **SB 143** and, when the time comes and all the savings are tallied up, begin funding the tiered technical education formula beginning with \$11.6 million of the \$51 million shortfall. (Attachment 3)

Edward Berger, President of Hutchinson Community College, provided written testimony to the committee as a proponent of **SB 143**. **SB 143** provides a system of tiered funding using data from a national study. It will provide appropriate incentives for community and technical colleges to invest in high cost/high demand programs that will build the world class workforce that is necessary for the Kansas economy to rebound. An essential component of this **SB 143** is the repeal of the Community College operating grant, establishing a fund for non-tiered course offerings which will be distributed by the Kansas Board of Regents. **SB 143** is, of course, just a framework for funding, recognizing that the fiscal component is not included in this legislation. (Attachment 4)

Questions and answer session followed the presentations.

Chairman Aurand closed the hearing on **SB 143**.

HCR 5010 - School finance; equitable distribution of public school funds in the amount and manner determined by the legislature

Norm Furse, Kansas Revisor of Statutes, explained the proposed amendment on **HCR 5010**.

Questions and answer session followed.

Chairman Aurand read the Amendment to **HCR 5010** that Speaker O'Neal proposed. (Attachment 5)

Chairman Aurand moved to accept the proposed amendment to HCR 5010. Seconded by Representative Ryckman. Motion carried.

Representative Huebert moved to pass out HCR 5010 as amended. Seconded by Representative Goodman. The motion carried by a show of hands.

The meeting was adjourned at 11:00 a.m. The next meeting will be March 10, 2011.

DATE: 3/9/11

DATE: 3/9/11

[illegible]



March 8, 2011

Honorable members;

There has been a great deal of progress made in the efforts to strengthen and improve the professional operations of Kansas Two-Year institutions. The actions taken to transfer higher education operations, other than Regents Universities, from the Department of Education to the Kansas Board of Regents, the creation of technical colleges and the transformation of technical schools into a variety of effective operational entities have been laudable.

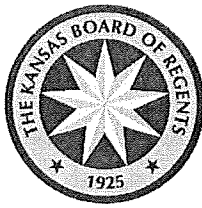
Additionally, the acknowledgement of the value of career, technical, and transfer education has begun to awaken the Kansas population to the fact that this potent arm of the Board of Regents is one of the most viable means to create sustainable economic development within our borders.

A legislative history rife with adapting to change related to the operation of these institutions has provided the need to "clean-up" a number of Kansas' statutes such as were brought forth last session and again this year in Senate Bill No. 13.

The Kansas Association of Technical Colleges endorses the recommended changes and lauds the Kansas Board of Regents and the Kansas Revisors for their work in this area. We therefore respectfully request approval of this Bill.

Respectfully,

Robert J. Edleston, Ed.D.
President, Kansas Association of Technical Colleges



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HOUSE EDUCATION COMMITTEE

March 9, 2011

Testimony In Support of Senate Bill 13 and Senate Bill 143

Blake Flanders, Ph.D.
Vice President Workforce Development

Good morning Chairman Aurand and members of the Committee. My name is Blake Flanders and I serve as Vice President of Workforce Development for the Kansas Board of Regents and provide executive support to the Kansas Postsecondary Technical Education Authority (Authority). I am here on behalf of the Board of Regents and the Authority to express support for Senate Bill 13 and Senate Bill 143, both of which were introduced by the Legislative Educational Planning Committee and were unanimously approved by the Senate.

In 2007, the Kansas Legislature enacted legislation which created the Authority, and in 2009 codified proviso language from a previous Omnibus Bill by amending K.S.A. 72-4482 to include the following section directing the Kansas Postsecondary Technical Education Authority to “(11) (A) develop and recommend to the state board of regents a credit hour funding distribution formula for postsecondary technical training programs that (i) is tiered to recognize and support cost differentials in providing high-demand, high-tech training, (ii) takes into consideration target industries critical to the Kansas economy, (iii) is responsive to program growth and (iv) includes other factors and considerations as deemed necessary or advisable; and (B) establish and recommend to the state board of Regents the rates to be used in such funding distribution formula.”

Both Senate Bill 13 and Senate Bill 143 respond to the legislative charge. Senate Bill 13 is requested to continue the process to review and identify statutes as needing revision to reflect current practice and terminology or repeal if obsolete.

If enacted, Senate Bill 13 will update terminology, removing definitions for terms no longer used, and eliminate area vocational school and area-vocational technical school references. Area vocational and area vocational-technical schools no longer exist as independent legal entities in Kansas. All former schools have merged with community colleges, been established as independent technical colleges, or have affiliated with a university.

Updating terminology and including specific institutional references will add clarity and increase the specificity of the statutes and reduce potential variations in interpretations. The removal of

obsolete sections and repeal of statutes no longer needed simplifies operation and statutory review.

Senate Bill 143 will provide a systematic uniform approach and structure for funding technical education and a framework for a tiered technical education funding approach with rates established by program delivery costs. This systematic change will provide a forward-looking approach resulting in an equitable, coherent funding structure. The new approach to technical education funding also provides long-term system incentives for the production of a high wage Kansas workforce. Senate Bill 143 follows the legislative directive relative to the funding approach for postsecondary technical education, and is a culmination of three years of effort from the institutional leaders, the Authority, and Board of Regents.

Additionally, Senate Bill 143 repeals the community college operating grant and establishes a fund for non-tiered course credit hours supporting general education delivered by community colleges.

In summary, we support Senate Bill 13 and Senate Bill 143, proposed by the Authority and recommended by the Board of Regents.

Thank you for the opportunity to comment. I will be happy to answer any questions.

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HOUSE EDUCATION COMMITTEE

March 9, 2011

Technical Education Funding: A New Approach

Blake Flanders, Ph.D., Vice President for Workforce Development

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Current Funding Approach

- ★ Six technical colleges receive funding for technical education through the "Technical College Aid for Technical Education" fund.

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Current Funding Approach

- ★ Six community colleges that merged with technical schools (71-1701 *et seq.*) elected to receive funding for technical education through the “Other Institutions Aid for Technical Education” fund for the original technical school programs, and the “Community College Operating Grant” for all other technical programs.

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Current Funding Approach

- ★ One community college that merged with a technical school (71-1701 *et seq.*), by election, receives funding for technical education only through the “Community College Operating Grant”, but not from the “Other Institutions Aid for Technical Education” fund.

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Current Funding Approach

- ★ The twelve community colleges that did not merge (71-1701 *et seq.*), receive funding for technical education through the "Community College Operating Grant", but do not have access to the "Other Institutions Aid for Technical Education" fund.

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Current Funding Approach

- ★ One technical school affiliated with a university receives funding for technical education through the "Other Institutions Aid for Technical Education" fund.

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Legislative Charge

K.S.A.72-4482

- ★ “(11) (A) develop and recommend to the state board of regents a credit hour funding distribution formula for postsecondary technical training programs that
 - (i) is tiered to recognize and support cost differentials in providing high-demand, high-tech training,

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Legislative Charge

K.S.A.72-4482

- (ii) takes into consideration target industries critical to the Kansas economy,
 - (iii) is responsive to program growth and
 - (iv) includes other factors and considerations as deemed necessary or advisable; and
- ★ (B) establish and recommend to the state board of regents the rates to be used in such funding distribution formula.”

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The Journey to a New Approach

- ★ 4 Technical Education Funding Workgroup Meetings
- ★ 20 CEO Briefings
- ★ 1 Funding Summit (KBOR/TEA/College CEOs)
- ★ 10 Open Comment Opportunities at TEA Meetings

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The Journey to a New Approach

- ★ Fund technical education courses “the same” regardless of which eligible institution delivers the course
- ★ Base the model on data

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The Journey to a New Approach

- ★ Encourage high-wage, demand-driven education
- ★ Encourage program growth

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Build the Cost Model

- ★ Instructor Costs
- ★ Extraordinary Costs
- ★ Instructional Support Costs
- ★ Institutional Costs

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Instructor Cost

- ★ Used national data to compare Kansas programs
- ★ Source: The Kansas National Study of Community College Instructional Costs and Productivity by Academic Discipline
- ★ 85% of Kansas 2-year schools (Community and Technical Colleges) participated in 2009

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Tier Rates for Programs

Tier Level	Tier Rate/Credit Hour	Example Program
1	\$108	Medical Assistant
2	\$128	Early Childhood Education
3	\$142	Power Plant Technology
4	\$149	Automotive Technology
5	\$167	Computer Aided Drafting Technology
6	\$210	Associate Degree Nursing

Rates using 2009 Kansas Study Data—Instructor Costs Only

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Sample Nursing Program Courses

Course Title	Credit Hours	Designation
Foundations of Nursing	4	Tier
Foundations of Nursing Clinical	2	Tier
Medical-Surgical Nursing	4	Tier
Medical-Surgical Nursing Clinical	2	Tier
Psychology	3	Nontier
College Algebra	3	Nontier

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Sample Nursing Program Course

Course Title	Instructor Costs (Tier 6)	Extraordinary Costs	Instructional Support (21.1% * Tier 3 Rate (\$142)	Institutional Costs (28.2% * Tier 3 Rate (\$142)	Total Tiered Costs Per Credit Hour	Credit Hours	Total Course Cost
Foundations of Nursing Clinical	\$210	\$103	\$30	\$40	\$383	2	\$ 766

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Other Policy Decisions

- ★ State share
- ★ Base year for implementation
- ★ Distribution method

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Technical Education Funding Gap

Calculated Technical Funding	\$103.3 M
Current Technical Funding	<u>\$ 47.5 M</u>
Technical Funding Gap	\$ 55.8 M

*KBOR Request \$11.6M



Benefits to New Approach

- ★ Long-term system incentives for increased production of a high-wage workforce
- ★ Uniform state funding for technical education regardless of sector



Benefits to New Approach

- ★ Allows for strategic investments at the course level
- ★ Data driven method of funding distribution



March 8, 2011

Honorable members:

The time has come for us to report back to the Legislature as we were instructed to do five years ago. Since early 2006 you have been listening to Kansas' two-year colleges tell you that Technical Education Doesn't Cost...It Pays. We told you that we were one of the only entities funded by the Kansas Legislature that actually *makes money* for State government through your investment in our programs. Some estimates had put the return on investment (ROI) as high as \$16/\$1, but it varies depending upon how much the program actually cost to operate. At Manhattan Area Technical College we recently demonstrated to the City of Manhattan that an investment of \$291,000 in our College could generate \$23 million in revenue through worker salaries over a twelve year period.

At the same we were piquing your interest with our talk of actually providing an ROI we were telling you that we were *under-funded* (as if you never heard that before). We had the capability to do more, but we did not have the fiscal means to accommodate those seeking our educational opportunities. After a time you told us to "*prove it*", and we have. You asked for it and you got it.

After the Governor's Commission on Technical Schools and Colleges in 2006 we formed the Technical Education Authority. Thousands of hours of research and collaboration have produced proof that technical education is indeed *severely under-funded in Kansas*' twenty six Technical and Community Colleges. To add insult to injury, we can also provide evidence that Kansas holds the dubious honor of having the least amount, per capita, of its citizens taking advantage of technical and vocational education in the United States of America. That's right; **we are 50th out of 50** in the U.S.A. for the number of Kansans who attend education and training for technical careers. No wonder it is so difficult to attract industry to our great State.

Now is the time to hold up your end of the bargain. If you want economic development, if you want lower unemployment, if you want less fiscal deficit then you must invest in skilled worker training and education and you must begin that process now. Simply cutting budgets does not grow the economy it simply stems the bleeding. Invest in technical education and carry the word back to your constituents that you are making a difference and that your vote is actually one for growth.

It is imperative that you approve SB 143 and, when the time comes and all the savings are tallied up, begin funding the tiered technical education formula beginning with \$11.6 million of the \$51 million shortfall.

Respectfully,

Robert J. Edleston, Ed.D, President

Comparison of Percentage of the Population Enrolled in Career and Technical Education by State

State (Rank Ordered)	State Population	Secondary CTE Enrollment	% of Population	Post Secondary CTE Enrollment	% of Population	Total % of Population
Hawaii	1,275,194	74,254	5.82%	92,538	7.26%	6.5399%
California	36,132,147	1,321,376	3.66%	1,607,505	4.45%	4.0530%
Nebraska	1,758,787	88,699	5.04%	47,501	2.70%	3.8720%
Utah	2,469,585	134,534	5.45%	54,248	2.20%	3.8221%
Georgia	9,072,576	506,998	5.59%	142,914	1.58%	3.5817%
Iowa	2,966,334	164,042	5.53%	47,349	1.60%	3.5632%
New Mexico	1,928,384	82,073	4.26%	47,120	2.44%	3.3498%
Washington	6,287,759	200,773	3.19%	203,902	3.24%	3.2180%
South Carolina	4,255,083	204,969	4.82%	64,832	1.52%	3.1703%
North Dakota	636,677	33,685	5.29%	6,241	0.98%	3.1355%
Idaho	1,429,096	77,996	5.46%	8,632	0.60%	3.0309%
West Virginia	1,816,856	83,900	4.62%	21,871	1.20%	2.9108%
Texas	22,859,968	893,243	3.91%	344,024	1.50%	2.7062%
Alaska	663,661	18,549	2.79%	17,064	2.57%	2.6831%
Connecticut	3,510,297	149,149	4.25%	23,649	0.67%	2.4613%
Illinois	12,763,371	341,340	2.67%	261,508	2.05%	2.3616%
North Carolina	8,683,242	280,896	3.23%	112,509	1.30%	2.2653%
Arkansas	2,779,154	94,513	3.40%	29,705	1.07%	2.2348%
Alabama	4,557,808	129,661	2.84%	53,463	1.17%	2.0089%
Oklahoma	3,547,884	115,894	3.27%	20,303	0.57%	1.9194%
South Dakota	775,933	25,133	3.24%	4,650	0.60%	1.9192%
Virginia	7,567,465	208,852	2.76%	63,973	0.85%	1.8026%
Wyoming	509,294	13,196	2.59%	5,074	1.00%	1.7937%
Michigan	10,120,860	167,665	1.66%	193,248	1.91%	1.7830%
Rhode Island	1,076,189	36,861	3.43%	828	0.08%	1.7510%
Maine	1,321,505	8,902	0.67%	36,934	2.79%	1.7342%
Kentucky	4,173,405	108,204	2.59%	35,660	0.85%	1.7236%
Maryland	5,600,388	140,725	2.51%	51,984	0.93%	1.7205%
Tennessee	5,962,959	176,725	2.96%	22,014	0.37%	1.6664%
Missouri	5,800,310	147,717	2.55%	45,552	0.79%	1.6660%
Wisconsin	5,536,201	37,605	0.68%	143,847	2.60%	1.6388%
Nevada	2,414,807	47,953	1.99%	28,716	1.19%	1.5875%
Minnesota	5,132,799	160,436	3.13%	0	0.00%	1.5629%
Oregon	3,641,056	78,037	2.14%	29,719	0.82%	1.4797%
Arizona	5,743,834	74,254	1.29%	92,538	1.61%	1.4519%
Louisiana	4,523,628	104,573	2.31%	26,519	0.59%	1.4490%
Ohio	11,464,042	141,030	1.23%	179,263	1.56%	1.3969%
Indiana	6,271,973	120,263	1.92%	51,725	0.82%	1.3711%
Montana	935,670	19,412	2.07%	5,811	0.62%	1.3479%
Delaware	843,524	15,783	1.87%	6,099	0.72%	1.2971%
Florida	17,789,864	297,430	1.67%	121,202	0.68%	1.1766%
New York	19,254,630	256,238	1.33%	155,879	0.81%	1.0702%
New Jersey	8,717,925	104,873	1.20%	53,937	0.62%	0.9108%
Colorado	4,665,117	81,917	1.76%	2,442	0.05%	0.9041%
Mississippi	2,921,088	28,335	0.97%	19,513	0.67%	0.8190%
Massachusetts	6,398,743	60,874	0.95%	41,882	0.65%	0.8029%
Vermont	623,050	5,065	0.81%	4,112	0.66%	0.7365%
New Hampshire	1,309,940	11,409	0.87%	7,569	0.58%	0.7244%
Pennsylvania	12,429,616	96,338	0.78%	74,073	0.60%	0.6855%
Kansas	2,744,687	18,386	0.67%	19,215	0.70%	0.6850%
National Average						2.0709%

According to the sources below, Kansas has approximately 37,601 students enrolled in secondary and post-secondary Career & Technical Education; equal to .685% of Kansas' population. In order for Kansas to reach the 2.07% national average, there would need to be 56,812 total students enrolled; which is 19,211 more students than are presently enrolled in Kansas secondary and post-secondary CTE.

Sources:

Career and Technical
Education Enrollment

http://www.careertech.org/state_profile (National Assoc. of State Directors of Career Technical Education Consortium)

2005 census populations

<http://www.infoplease.com/ipa/A0004986.html>

Compiled by Dr. Rob Edleston
Manhattan Area Technical College
Updated 02/14/2011



Fuel^{the} economy

Kansas Community Colleges. The driving force.

Testimony in Support of Senate Bill 143

Edward E. Berger

President of Hutchinson Community College

(Representing Kansas Community College Presidents)

Chairman Aurand and members of the House Education Committee; thank you for the opportunity to provide written testimony in support of SB 143 on behalf of the Kansas Association of Community College Trustees. I apologize I cannot be at the committee meeting in person. I was asked recently at a meeting by the community college presidents to provide testimony in support of Senate Bill 143.

Since 2007, when the Kansas Legislature created the Technical Education Authority, there has been a goal, at the direction of the Kansas Legislature, for the Authority to develop a funding formula for technical education that recognizes the cost differentials for technical education programs; placing emphasis on skill sets that are in high demand and essential for Kansas industry.

Senate Bill 143 provides a system of tiered funding using data from a national study. It will provide appropriate incentives for community and technical colleges to invest in high cost / high demand programs that will build the world class workforce that is necessary for the Kansas economy to rebound. An essential component of this Senate Bill 143 is the repeal of the Community College operating grant, establishing a fund for non-tiered course offerings which will be distributed by the Kansas Board of Regents. Senate Bill 143 is, of course, just a framework for funding, recognizing that the fiscal component is not included in this legislation.

Once again, Senate Bill 143 is the result of years of study, discussion, and finally consensus of support from both technical colleges and community colleges. I cannot think of any other example of a funding formula that has been more thoroughly vetted.

Kansas Community College presidents are supportive of this funding mechanism and ask that the committee vote to support this legislation. Thank you once again for providing the opportunity for written testimony.

STATE OF KANSAS
HOUSE OF REPRESENTATIVES



MICHAEL R. (MIKE) O'NEAL
SPEAKER

**PROPOSED AMENDMENT TO HCR 5010
MARCH 8, 2011**

Chairman Aurand and members of the Committee, at the hearing last week on HCR 5010, a question was raised regarding the proposed amendment to Art. 6, Sec. 6(b) of the Kansas Constitution. The question, as I understand it, deals with whether the language of the resolution as drafted, would negate the ability to bring an equity suit against the State given the language "...in a manner and amount as may be determined by the legislature."

As I indicated at the hearing, the intent is to restore the constitutional interpretation to one where equity in funding is required, but where the ultimate decision on the amount of funding would remain a legislative function. To avoid any confusion, I would suggest the HCR be amended in subsection (b) as follows:

**"The legislature shall make suitable provision for
finance of the educational interests of the state
in an equitable manner and in such amounts as
may be determined by the legislature."**

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House Education Committee

Date 3/9/11

Attachment# 5

The "explanatory statement" in lines 32-35 should be amended to read as follows:

**"The purpose of this amendment is to
clarify the requirement for suitable finance
in an equitable manner but in amounts to
be determined by the legislature."**

These changes should address the concern over interpretation expressed at the recent hearing.