### SESSION OF 2024

#### SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2464 As Amended by House Committee on Higher Education Budget

# Brief\*

HB 2464 would increase funding for state scholarships for students who have established financial need.

#### Definitions

The bill would amend the definitions to several terms pertaining to state scholarship programs and financial need in K.S.A 74-32,233 through 74-32,239.

The bill would define "financial need" as the difference between the student's available financial resources and the student's total anticipated annual attendance cost. The student's financial resources would be determined by the criteria provided under the federal methodology of need analysis.

The bill would amend the definition of "eligible institution" to mean a postsecondary educational institution, including any public university, municipal university, community college, and technical college, or not-for-profit independent institution that maintains open enrollment, has a main campus or principal place of operation in Kansas, is operated independently and not controlled by any state agency, and is accredited by a nationally recognized accrediting agency for higher education in the United States.

The bill would define "annual attendance cost" as the average cost of in-state tuition and required fees for 30 credit

<sup>\*</sup>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

hours of undergraduate instruction at all state educational institutions and Washburn University.

The bill would define "state educational institution" to include the University of Kansas, Kansas State University, Wichita State University, Emporia State University, Pittsburg State University, and Fort Hays State University.

The bill would remove the term postsecondary education in the definitions for "open enrollment," "term," and "program period."

## Funding

The bill would amend law pertaining to the amount of a state scholarship to remove outdated sections of law and specify state scholarships awarded to a state scholar in any year would not exceed the lesser of the actual cost of attendance in any year or 70 percent of the annual attendance cost if the student is awarded a state scholarship program for any program period, term, or semester commencing after July 1, 2023.

# Background

The bill was introduced by the House Committee on Higher Education Budget at the request of Representative Howe.

## House Committee on Higher Education Budget

In the House Committee hearing, **proponent** testimony was provided by representatives of the Kansas Board of Regents (Board) and the Kansas Independent College Association.

The representative of the Board provided testimony stating that enactment of the bill would modernize the

scholarship program which has had tremendous success. The conferee stated this scholarship is unique because students must complete the Kansas Scholars Curriculum along with other requirements and that the bill would increase the scholarship award from \$1,000 to \$6,336 for FY 2025. The representative of Kansas Independent College Association stated support for the bill and agreed that this legislation will modernize the scholarship.

No other testimony was provided.

The House Committee amended the bill to strike language pertaining to the North Central Association Accrediting Agency and the Higher Learning Commission.

# **Fiscal Information**

According to the fiscal note prepared by the Division of Budget on the bill, as introduced, the Board indicates that the enactment would increase the maximum award that could be given from \$1,000 per year to the actual cost of attendance or \$6,050 per year which would be a 505.0 percent increase.

The Board indicates that if the bill is enacted it would require a reduction in the number of students that can receive the award or receive an increased allocation to fund the current number of students. The Board is unable to determine an amount that would be needed or the number of students that would be affected as financial need factors into the amount awarded. Any fiscal effect associated with the bill is not reflected in *The FY 2025 Governor's Budget Report*.

Scholarships; Board of Regents; enrollment