



KANSAS BOARD OF REGENTS

Neutral Testimony on SB 44 For the House Education Committee

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Elaine Frisbie, Vice President for Finance & Administration Kansas Board of Regents

Good afternoon, Chair Estes, and Members of the Committee. Thank you for the opportunity to appear before you today on SB 44. SB 44 would amend the Kansas Promise Scholarship Act, first enacted in 2021.

The first change would expand which institutions are eligible to participate to include accredited institutions in Kansas that deliver eligible programs and that qualify to receive federal Title IV student financial aid (Pell Grants). Wichita Technical Institute and Heartland Welding Academy are the institutions that would newly qualify for participation in the program under the language of this bill. Current law provides that the following colleges participate:

- the 19 public community colleges;
- six public technical colleges;
- Washburn Institute of Technology; and
- the private, not-for-profit institutions that offer eligible programs (for FY 2024, that included Central Christian College, Cleveland University, Donnelly College, Hesston College, Mid America Nazarene and Newman University).

As amended by the Senate, SB 44 also increases the cap on the program's appropriation for the program from \$10.0 million to \$15.0 million.

For this program, the Board of Regents and the institutions' financial aid staff work closely as the institutions make scholarship awards locally to eligible students and they maintain detailed student-level records as required to satisfy the Act's requirements. The two additional schools made eligible in SB 44 would be required to provide the same level of student information to the Board of Regents as is required of the current institutions.

As SB 44 expands the volume of students eligible for the Promise Scholarship Program, the bill would increase costs for the Board of Regents – for potential additional scholarship awards and for staff time to administer this complex program.

Using federal IPEDS enrollment data for the two schools added by SB 44, it is estimated 401 additional students could be eligible for Promise Scholarship awards in FY 2026. At an average award of \$3,901.28, the additional scholarships would total \$1,564,414. Although the Act increases the program's cap on appropriations to \$15.0 million per year, SB 44 by itself would not appropriate additional funding for the program.

If the volume of Promise scholarship activity increases beyond current levels, we would have concerns that our staff could not adequately serve students and assist staff at the institutions. The Board of Regents has responsibility for the program and ensuring scholarship recipients are in compliance terms of their service agreements.

For the costs attributable to the administration of the program by the Board of Regents, SB 44 would add two schools and several hundred more applicants each year to a program that is our most complex to administer – particularly when monitoring those students who are choosing to enroll in more than one Promise-eligible program. We have received feedback from financial aid staff at the institutions they also are challenged to keep up with the program's demands.

This bill, in combination with the new financial aid programs created by the Legislature in both 2023 and 2024, will build on the cumulative administrative effect on our financial aid and IT staff's ability to administer the aid programs effectively. In both sessions, the Board presented a request for nearly \$200,000 to the House Appropriations and Senate Ways & Means Committees, but which was not appropriated.

When the Legislature appropriates state monies to the Board of Regents for a financial aid program, those monies are used solely for scholarship awards, not for the administration of the programs which includes administration of service agreements. One way to ease the administrative requirements would be to eliminate the service requirement, however, this would limit the intended effect of the program.

The Board of Regents again voices concern that we do not have adequate staff to support these important public-facing programs. Our current staff for the Student Financial Aid unit cannot absorb additional workload, particularly for a service scholarship that requires years of monitoring for every scholarship recipient, each of whom can have unique personal circumstances.

Thank you for the opportunity to appear before you today.