Adam Proffitt, Director



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

March 24, 2023

The Honorable Molly Baumgardner, Chairperson Senate Committee on Education 300 SW 10th Avenue, Room 144-S Topeka, Kansas 66612

Dear Senator Baumgardner:

SUBJECT: Fiscal Note for SB 316 by Senate Committee on Ways and Means

In accordance with KSA 75-3715a, the following fiscal note concerning SB 316 is respectfully submitted to your committee.

SB 316 would move the oversight and administration of the Kansas Comprehensive Grant Program for not-for-profit independent institutions from the Kansas Board of Regents to the State Treasurer. The State Treasurer would be required to:

- 1. Provide information regarding application procedures;
- 2. Collect and certify financial need and cost of attendance at not-for-profit independent institutions of higher education as determined by each institution;
- 3. Determine the average amount of tuition and fees required of fulltime, in-state students for enrollment at not-for-profit independent institutions of higher education;
- 4. Determine residence:
- 5. Determine priority or apportionment of Kansas comprehensive grants and other matters necessary for administration of the program;
- 6. Allocate base funding in accordance with certain requirements based on the number of qualified Kansas resident students completing a bachelor's degree;
- 7. Appoint an advisory committee, including the president of the Kansas Independent Colleges Association and one representative from a not-for-profit independent institution of higher education per congressional district to serve for no more than three years unless reappointed by the Treasurer;

- 8. Collect and certify reports of Kansas students enrolled in a not-for-profit independent institution of higher education for the award of Kansas comprehensive grants;
- 9. Collect and maintain relevant information on the program as it pertains to not-for-profit independent institutions of higher education and make a report to the Governor and Legislature; and
- 10. Adopt an appropriate measure of student financial need.

The advisory committee would be required to: (1) collect and report to the Treasurer institutional information and (2) recommend to the Treasurer acceptable definitions of residence and an appropriate measure of student financial need. Appropriated funds would be allocated in accordance with the provisions outlined in the bill. If there are insufficient funds to award each eligible student, each institution's overall allocation would be reduced proportionally to the amount of funds received over the past three fiscal years. The bill specifies that any leftover funds would be distributed to each institution in an amount sufficient to equalize the minimum percentage of students eligible to receive a maximum grant but for whom the institution has insufficient funds to support. The bill would require not-for-profit independent institutions of higher education to ensure student who maintain eligibility continue to receive support and funding.

The Board of Regents indicates the enactment of SB 316 would result in \$12.7 million from the State General Fund that is included in *The FY 2024 Governor's Budget Report* for the Kansas Comprehensive Grant for financial aid for private schools being moved to the State Treasurer's budget. The State Treasurer indicates the provisions of SB 316 could be accomplished within existing resources. Any fiscal effect associated with SB 316 is not reflected in *The FY 2024 Governor's Budget Report*.

Sincerely,

**Adam Proffitt** 

Director of the Budget

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cc: Becky Pottebaum, Board of Regents John Hedges, Office of the State Treasurer