Approved: 3-17-04_

MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Dwayne Umbarger at 1:37 p.m. on March 9, 2004 in Room 123-S of the Capitol.

All members were present:

Committee staff present:

Carolyn Rampey, Legislative Research Kathie Sparks, Legislative Research Debra Hollon, Legislative Research Theresa Kiernan, Office of the Revisor of Statutes Judy Steinlicht, Committee Secretary

Conferees appearing before the committee:

Theresa Kiernan, Revisor of Statutes Richard Hoffman, Director of Kaw Area Technical School Reginald Robinson, President & CEO, Kansas Board of Regents Joan Wagnon, Secretary of Revenue

Others attending:

See Attached List

HB2795—Compulsory school attendances; exemption for students in postsecondary educational institutions

Theresa Kiernan, Revisor of Statutes, gave the committee a brief overview of HB2795.

Richard Hoffman, Director of Kaw Area Technical School (KATS), told the committee that he started as director of KATS in August 2003, and in October 2003, he was notified that the U.S. Department of Education would be conducting an audit. He was informed that KATS was out of compliance based on the fact that the school was accepting students, who had not graduated from high school or received their GED, and further, these students had not passed the age as set forth by law since 1997 when the compulsory age in Kansas was changed from 16 to 18. As a result, KATS was asked to pay back \$882,445 in financial aid that was given to qualified students, but they were not allowed to spend the money with KATS because KATS did not meet the guidelines. KATS has never been sited for awarding ineligible students with financial aid. The Federal regulation accepts whatever the state sets as its own guidelines. Mr. Hoffman believes **HB2795** will fix the problem for the entire state and asks for support. (Attachment 1)

Reginald Robinson, President & CEO, Kansas Board of Regents, told the committee it was the elevation of age from 16 to 18 that triggered the issue. KATS has legal council that is on top of the issue and they are trying to get clarification from the U.S. Department of Education that the language in **HB2795** will satisfy the problem. He hopes to get some clarity prior to the end of session. (no attachment)

HB2493-Education; concerning private and foreign postsecondary schools

Theresa Kiernan, Revisor of Statutes, presented balloon amendments to **HB2493** to make technical changes and clarifications. (<u>Attachment 2</u>)

HB2795—Compulsory school attendances; exemption for students in postsecondary educational institutions

Senator Vratil proposed wording to amend **HB2795** by adding a definition whereby "regularly enrolled" we would be defined to mean 5 hours or more per day, and then use the term "regularly enrolled" in section 1 (a) which is the compulsory attendance statute and also in section 1 (b)(3) so that it would say students attending both a postsecondary institution and a K-12 school would be "regularly enrolled" and concurrently enrolled which was bring in the 5 hour concept.

Senator Bunten made a motion to amend **HB2795** with the wording described by Senator Vratil.

CONTINUATION SHEET

MINUTES OF THE SENATE EDUCATION COMMITTEE at 1:37 p.m. on March 9, 2004 in Room 123-S of the Capitol.

Seconded by Senator Teichman. Motion carried.

Senator Schodorf made a motion to amend **HB2493** into **HB2795** with the technical amendments and clarification proposed by Theresa Kiernan. Seconded by Senator Emler. Motion carried.

After some discussion, Senator Oleen made a motion to amend **HB2795** changing the word "foreign" to "out of state". Seconded by Senator Downey. Motion carried.

Senator Vratil made a motion to recommend **HB2795** as amended favorably for passage. Seconded by Senator Teichman. Motion carried.

SB344—Sales tax; exempting certain sales by schools and school-sponsored groups and organizations

Joan Wagnon, Secretary of Revenue, explained the fiscal note on **SB344.** The fiscal note as currently proposed would be \$9 million in 2005 with the potential that the impact could be higher. If secondary schools were included, the impact would be \$13 million. The loss would accelerate in 2006.

Senator Vratil made a motion to table SB344. Seconded by Senator Emler. Motion carried.

SB 512-School districts; building-based budgeting

Senator Bunten handed out information on his proposal in **SB512** which includes a copy of the district wide budget which is required by school districts to submit to State Department of Education, a copy of the format that the building-based budget working group developed and a copy of Seaman School District's budget figures put on the new format. Senator Bunten handed out the information with the understanding that the bill would be worked tomorrow, March 10, 2004.

Adjourned 2:30 p.m. The next meeting is scheduled for March 10, 2004.