| Approved: | March 29, 2006 |
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MINUTES OF THE SENATE EDUCATION COMMITTEE

The meeting was called to order by Chairman Jean Schodorf at 1:40 p.m. on March 16, 2006, in Room 123-S of the Capitol.

Committee members absent: Chris Steineger- excused

Pat Apple- excused

Committee staff present: Deb Hollon, Kansas Legislative Research Department

Theresa Kiernan, Revisor of Statutes Shirley Higgins, Committee Secretary

Conferees appearing before the committee: Dr. Robert Masters, Vice President of Academic Affairs,

Kansas Board of Regents

Kathy Jones, Kansas Association for the Gifted, Talented,

and Creative (KGTC)

HB 2572-Private and out-of-state postsecondary educational institutions; clean-up amendments

Deb Hollon, Kansas Legislative Research Department, explained that <u>HB 2572</u> would amend several statutes to change the phrase "proprietary school" to the phrase "private and out-of-state postsecondary educational institution" to make the terminology consistent with the Kansas Private and Out-of-State Postsecondary Educational Institutional Act which became law in 2004. In addition, the bill would amend the statute that created the Kansas Training Information Program to require that all members of the program's advisory committee work or reside in Kansas.

Dr. Robert Masters, Vice President of Academic Affairs, Kansas Board of Regents, testified in support of <u>HB</u> <u>2572</u>. He noted that the House approved the bill on a 122-0 vote on February 6. He reminded the Committee that, in 1999, the Higher Education Coordination Act was passed, and this act transferred proprietary school oversight from the Kansas State Department of Education to the Kansas Board of Regents. In 2004, the Legislature did away with the Proprietary School Act and merged the regulation of these schools with the regulation of private and out-of-state degree granting schools in a new act, the Kansas Private and Out-of-State Postsecondary Educational Institution Act. This act no longer uses the term "proprietary school" but instead uses the term "private or out-of-state postsecondary educational institution." Yet, the Higher Education Coordination Act and other related statutes refer to the Board's regulation of "proprietary schools." The bill simply cleans up references to the Board's authority by making the language consistent with the new legislation and establishing a more accurate reflection of the Board's authority. (Attachment 1)

There being no others wishing to testify, the hearing on **HB 2572** was closed.

HB 2575-Kansas challenge to secondary school pupils; concurrent enrollment; gifted children; technical changes

Ms. Hollon explained that <u>HB 2575</u> changes some definitions in the Kansas Challenge to Secondary Pupils Act. The definition of "concurrent enrollment pupil" would be expanded to include gifted children in grades 9 and 10. Currently the definition includes only grades 11 and 12. The bill would include technical colleges among the postsecondary educational institutions in which secondary students may enroll under the Act. The bill would also incorporate in the Act the definition of "gifted child" used elsewhere in Kansas education law.

Dr. Masters testified in support of <u>HB 2575</u>. He noted that <u>HB 2575</u> passed the House by a 122-0 vote on February 2. He explained that the bill amends the concurrent enrollment statute which was passed in 1993 to allow high school students to enroll in postsecondary education. The statute is restricted to 11th and 12th grade students. The Board requested that the statute be amended to allow gifted high school students in grades nine through twelve to become concurrent enrollment pupils. Since the current statute was developed prior to the creation of technical colleges, the Board requested that the statute be amended to include technical colleges as institutions eligible to offer concurrent enrollment. (Attachment 2)

CONTINUATION SHEET

MINUTES OF THE Senate Education Committee at 1:40 p.m. on March 16, 2006, in Room 123-S of the Capitol.

Kathy Jones, Kansas Association for Gifted, Talented, and Creative, testified in support of <u>HB 2575</u> with an amendment. She pointed out that the bill excludes any gifted student under the 9th grade who may otherwise be eligible. She noted that, although few students below the 9th grade level may need to utilize this option, the unintended consequence may stifle the learning options for those students. She requested that the bill be amended to remove the restriction that a gifted student must be enrolled in grades 9 through 12 to take advantage of concurrent classes, thus allowing concurrent enrollment for any gifted student. (Attachment 3)

There being no others wishing to testify, the hearing on **HB 2575** was closed.

Senator Vratil moved to recommend **HB 2572** favorably for passage, seconded by Senator Goodwin. The motion carried.

Senator Allen moved that **HB 2572** be placed on the Consent Calendar, seconded by Senator Vratil. The motion carried.

Senator Schodorf opened a discussion concerning the suggestion that <u>HB 2575</u> be amended to allow gifted students below the 9th grade level to take advantage of concurrent classes. Senator Goodwin asked Dr. Masters why the bill was limited to 9th through 12th graders. Dr. Masters responded, "Maturity level, the courses that are taken at certain levels – are we setting the student up later on for developmental education. We have that with the regular students that take certain courses before the 10th, 11th, and 12th grade. Those were the kinds of discussions that came up with the chief academic officers of the universities and the community colleges. Was there a 100 percent across the board on this. No. But the majority felt this way." Senator Vratil commented, "My only thought is, these chief academic officers studied this, looked at it for two years. This is their recommendation, and I'm inclined to go along with their recommendation. I'm sure we don't know all the factors that they considered."

Senator Vratil moved to recommend **HB 2575** favorably for passage, seconded by Senator Pine. The motion carried.

Senator Schodorf opened a discussion on a previously heard bill, <u>HB 2722</u> concerning a pilot program providing state matching of contributions by low-income participants in postsecondary savings accounts. Senator Vratil distributed copies of his proposed balloon amendment. (Attachment 4) He explained that, when he read through balloon proposed by the Treasurer's Office, he had a great deal of difficulty following it. Therefore, he requested that Theresa Kiernan, Revisor of Statutes Office, essentially rewrite it into a more understandable form. He noted that the amendment would accomplish the same thing as was intended by the Treasurer's Office.

Senator Vratil moved to amend **HB 2722** in accordance with his suggested balloon amendment, seconded by Senator Allen.

Senator Pine commented, "If we do that and for some reason a participant decides to withdraw for some other reason other than for use for educating the children, what happens to the money that we contributed?" Scott Gates, State Treasurer's Office, responded, "The bill doesn't specifically address that situation. What would happen is, that money would stay in the postsecondary education savings trust fund, which is a trust fund in the State Treasury. We have a mechanism that says that Treasurer shall ensure that those funds are used for college. What we don't have is a mechanism for what happens if it would just stay in that account. I suppose we could create a mechanism to have the Treasurer to transfer that to the general fund. They could be used for the benefit of the program somewhere. There are certainly a myriad of possibilities." Senator Pine confirmed that participants in the postsecondary savings account pilot program would have a right to take their funds out but not the matching funds. Mr. Gates noted that the funds left in an account belong to the owner of the account, but they could never spend them without the Treasurer's approval unless they spend it on college. He suggested that perhaps the bill would need an amendment to give the Treasurer's Office the authority to recapture the money after a certain period of time, if it had not been expended, and either put it back in the trust fund or back in the general fund.

Senator Vratil withdrew his motion to amend <u>HB 2722</u>, and Senator Allen withdrew her second.

CONTINUATION SHEET

MINUTES OF THE Senate Education Committee at 1:40 p.m. on March 16, 2006, in Room 123-S of the Capitol.

Senator Vratil commented, "I see real problems. I don't know how the Treasurer can prohibit the owner of a fund from spending money in that fund. You may have that written the bill, but you've got all kinds of federal law and federal regulations to deal with too. I can see really big time problems with this bill, and it hasn't been thought through thoroughly in order to accomplish what the sponsors are trying to accomplish."

In order to give the Treasurer's Office and the sponsors of the bill time to work out the problems, <u>Senator</u> Vratil moved to table **HB 2722**.

Senator Allen commented, "I wouldn't want to table the bill at this point because we're still meeting next week. One solution would probably be to go back to the way it was drafted in the bill. As I understand Scott, the payment was originally going to be made directly to the institution. I guess what I'm thinking is, let's let Representative O'Malley see if he can come up some proposal."

Senator Vratil withdrew his motion to table **HB 2722**.

Senator Vratil suggested that Mr. Gates and Representative O'Malley confer with a tax attorney who practices in this area. Senators McGinn and Allen suggested that the issue of the cost to market the program also be addressed. Senator Allen agreed to contact Representative O'Malley regarding the concerns expressed about the bill.

The meeting was adjourned at 2:30 p.m.

The next meeting is scheduled for March 20, 2006.