

SESSION OF 2012

**SECOND CONFERENCE COMMITTEE REPORT BRIEF  
HOUSE BILL NO. 2435**

As Agreed to May 19, 2012

**Brief\***

HB 2435 would amend the Vocational Education Scholarship, deal with state universities and negotiated contracts, extend a sunset on private and out-of-state postsecondary fees, change requirements related to remedial education and the qualified admissions standards at state education institutions, and authorize individual plans for success for students admitted under the minimum admissions standards.

***Vocational Education Scholarship***

The bill would replace the existing Vocational Education Scholarship with the new Career Technical Workforce Grant. The grant would be available for students at or accepted into a designated career technical education program at the postsecondary level as designated by the Board of Regents. The Board of Regents, within the limits of appropriations, could award grants to those applicants who exhibit financial need. Under the bill, a grant for a full-time student would be up to \$1,000 per year, but could not exceed the cost of tuition and fees.

The bill would allow the Board of Regents to adopt rules and regulations. The Board of Regents would administer the grant using guidelines detailed in the bill. The Career Technical Workforce Grant would be evaluated by the Board

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\*Conference committee report briefs are prepared by the Legislative Research Department and do not express legislative intent. No summary is prepared when the report is an agreement to disagree. Conference committee report briefs may be accessed on the Internet at <http://www.kslegislature.org/klrd>

of Regents each year and a report would be provided to the Governor and the Legislature.

If a student were to discontinue attendance, the refunded tuition and fees would go to the Career Technical Workforce Grant Discontinued Attendance Fund to be used for future grants. This also would be true for the state's share of any federal funding involved.

#### ***State Universities and Negotiated Contracts***

The bill would allow a state university employee to provide factual information, advice, or recommendations related to the negotiated terms of a technology licensing agreement or other research or development agreement between the university and a company in which the employee has a substantial interest, with two exceptions: employees who have the authority to negotiate or to approve the agreement on behalf of the university would not be allowed to provide factual information, advice, or recommendations; and employees acting in their capacity as a state university employee and who would receive a direct financial benefit would be limited to providing factual information in relation to the negotiated terms of an agreement.

The bill would become part of the governmental ethics laws.

#### ***Private and Out-of-State Postsecondary Fees***

The bill would extend the authority until June 30, 2017, for the Board of Regents to fix, charge, and collect fees for Kansas private and out-of-state postsecondary institutions operating in Kansas. Currently, this authority expires on June 30, 2012.

***Remedial Education, Qualified Admissions Standards, and Individual Plans for Success***

The bill would prohibit State General Fund dollars from being used for remedial courses at state universities effective August 15, 2015, but would not prohibit the courses from being provided with funding from other sources. Exceptions to this provision include a student who is in military service, is 21 years of age or older, or is an international student enrolled in a remedial English as a second language course. (State General Fund moneys could be used for remedial courses offered to those in the exception categories.)

Also, the bill would allow the development of individual student plans for success by each state educational institution admitting a student under the 10.0 percent exception to the minimum admissions standards. In academic years 2012-2013 and 2013-2014, development of the plans is voluntary. In academic year 2014-2015, individual plans for success would become a requirement prior to enrollment of students admitted under the 10.0 percent exception window. An individual plan for success would be reviewed by the student and the student's advisor at least once during the 12-month period immediately preceding the initial adoption of the plan. The plan could be revised upon mutual agreement of the student and the student's advisor.

An individual plan for success would be a written statement jointly developed by the student, student's advisor, and any other employee designated by the state educational institution for the purpose of developing the plan. The plan could address a student's extracurricular activities, financial needs, and any other aspect of student life having a bearing on a student's academic success.

The bill would require the Board of Regents to conduct a study regarding the retention and graduation rates of students who are accepted into state universities through the exceptions to the minimum admissions standards. The Board

would be required to report the study's findings to the Senate and House Committees on Education by January 13, 2014.

### **Conference Committee Action**

The Conference Committee accepted the Senate amendments to the bill and added several bills to HB 2435. Those bills and the changes made to them in Conference Committee are described below.

SB 258 related to state university employees providing factual information, advice, or recommendations related to the negotiated terms of a technology licensing agreement or other research or development agreement between the university and a company in which the employee has substantial interest. The Conference Committee deleted the sunset provision.

SB 261 related to private and out-of-state postsecondary educational institution fees; the Conference Committee added a sunset date of August 15, 2015.

HB 2745 would prohibit State General Fund dollars from being used for remedial courses at state universities effective August 15, 2015, but would not prohibit the courses from being provided with funding from other sources. Exceptions to this provision include a student who is in military service, is 21 years of age or older, or is an international student enrolled in a remedial English as a second language course.

The Conference Committee added a provision which would require the Board of Regents to conduct a study regarding the retention and graduation rates of students who are accepted into state universities through the exceptions window. The Board would be required to report the study's findings to the Senate and House Committees on Education by January 13, 2014.

The Conference Committee added a provision authorizing the creation of “individual plans for success” for students admitted under the minimum admissions standards.

## **Background**

HB 2435 was introduced by the Legislative Educational Planning Committee at the request of the Board of Regents.

Representatives from the Kansas Board of Regents, the Kansas Hospital Association, and the Kansas Association of Community College Trustees spoke in support of the bill. There were no opponents.

The House Committee on Education Budget made technical amendments to the bill, as recommended by the Revisor of Statutes. The Senate Education Committee defined a designated career technical education program.

On the bill, as introduced, the Division of the Budget indicated there would be no fiscal impact as funding would be dependent upon appropriations.

## ***SB 258 Issues***

The Kansas Board of Regents provided written testimony in support of SB 258 and a representative from the University of Kansas spoke in support of the original bill.

There were no opponents to the original bill.

The Senate Committee on Ways and Means amended SB 258 to prohibit employees receiving a direct financial benefit from providing advice or recommendations related to these types of agreements.

The Senate Committee of the Whole amended the bill to clarify the prohibition on advice or recommendations as

applying only to state employees acting in their capacity as a state employee providing advice or recommendations in relation to the negotiated terms of an agreement.

The House Education Committee amended the bill by adding a sunset date of July 1, 2016.

The Division of the Budget fiscal note on the original SB 258 indicated there would be no fiscal effect.

### ***SB 261 Issues***

SB 261 was introduced by the Legislative Educational Planning Committee. Proponents of the bill included representatives of the Kansas Board of Regents, the University of Phoenix, National American University, Brown Mackie College, and the Kansas Real Estate Commission.

A bill passed during the 2011 Legislative Session placed an expiration date of June 30, 2012, on the Board of Regents' fee schedule established for Kansas private and out-of-state postsecondary education institutions operating in Kansas. The Board of Regents requested elimination of this expiration date in its 2012 package of legislative initiatives.

The House Committee on Education Budget amended the bill to add a sunset date of June 30, 2017.

The Division of the Budget fiscal note on the original bill indicated passage of the bill would not increase the amount of revenue the Board of Regents received. The fiscal note went on to say that if the bill does not pass, the source of funding would be lost.

### ***HB 2745 Issues***

Speaker O'Neal spoke in favor of HB 2745 at the House Committee on Appropriations' hearing. There were no opponents.

The House Committee of the Whole amended HB 2745 to give those in military service preference when determining which students to admit under the exception.

Regarding HB 2745, the fiscal note provided by the Division of the Budget indicates, if the universities were to stop providing remedial courses, the estimated tuition and fees revenue lost would be \$3.3 million; however, the estimated costs of providing the courses would be reduced by \$1.5 million, for a net reduction in revenue of \$1.8 million. The estimated loss in tuition from the reduction in the exception rate from 10.0 percent to 5.0 percent is approximately \$525,252.

Vocational Education Scholarship; negotiated contracts; postsecondary fees; remedial education; admissions standards; individual plans;

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