Senate Education Committee SB 47 – Opponent Testimony – WRITTEN ONLY James Franko, VP and Policy Director 18 February 2019



Chairwoman Baumgartner and Members of the Committee,

Thank you for the opportunity to submit written testimony in opposition to SB 47. While certainly well intentioned the bill creates a new scholarship program for eligible students to attend higher education institutions in a way that further distorts incentives for students specifically and the higher education market generally.

Certainly higher education can be cost prohibitive for some students but further subsidizing students to attend these institutions risks further cost inflation. Paul Campos, a law professor at Univ. of Colorado - Boulder wrote in *The New York Times*, "...the astonishing rise in college tuition correlates closely with a huge increase in public subsidies for higher education. If over the past three decades car prices had gone up as fast as tuition, the average new car would cost more than \$80,000."

An analysis from The Heritage Foundation uses National Bureau of Economic Research data to further illustrate this point. $^{\rm ii}$

Again, more Kansas students almost certainly need to be pursing their education after high school. It is almost a cliché to talk about the changing needs of the 21st Century economy and the need to be a lifelong learner. But, however well-intentioned, more government funded subsidization of higher education will likely do little to create new educational opportunities.

Instead, performance-based budgeting and other efficiency measures put in place and actively pursued at our Regents institutions may do more to make post-secondary education more affordable. I would refer to the Committee's consideration the example of Mitch Daniels and Purdue University. According to *Forbes Magazine*, "In inflation-adjusted dollars, Purdue costs \$4,000 less per year for out-of-state students than it did when [Daniels] took the job in 2013. In-staters pay nearly \$3,000 less, at just under \$23,000 this academic year for tuition, room, board and expenses." iii

A young person working to graduate from high school early is absolutely to be commended. The small pool of eligible students would not have a large inflationary effect of tuition but the principle remains. While not an absolute, there is also a strong likelihood that students graduating early will have ample opportunities to continue their education outside of a new program such as SB 47. I'd also point out that if the state is extending a new scholarship program to students who graduate early we should not discriminate against the taxpaying families with children who may have graduated early from a private school in Kansas.

Thank you for your consideration.

ⁱ https://www.nytimes.com/2015/04/05/opinion/sunday/the-real-reason-college-tuition-costs-so-much.html

ii https://www.heritage.org/education/commentary/blame-washington-skyrocketed-college-costs iii https://www.forbes.com/sites/susanadams/2018/09/11/mitch-daniels-is-making-purdue-more-affordable-and-upping-enrollment-higher-ed-purists-are-aghast/#2a9a1a996eee