



KANSAS BOARD OF REGENTS

House Committee on Commerce, Labor and Economic Development Testimony in Support of HB 2287

February 17, 2021

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President & CEO, Kansas Board of Regents

Good afternoon Chairman Tarwater and Members of the Committee. Thank you for the opportunity to present testimony in support of HB 2287. The Kansas Board of Regents has its February meeting this afternoon, so I am unable to appear before you today. I would be pleased to attend a future meeting to discuss state investment in the Kansas workforce.

HB 2287 would offer Kansans the opportunity to attend a two-year public college or a Kansas private independent college. The Board of Regents would establish criteria for awarding scholarships and would also work with the Department of Commerce to determine up to ten job fields that currently have the highest need for skilled employees and designate scholarship-eligible technical education programs that correspond to those job fields. The scholarship is subject to appropriations, which is capped at \$10 million annually, but would cover up to the cost of tuition, required fees, books and required materials.

We would be pleased to have additional state investment in aid for students enrolled in programs that lead to employment in critical need fields. We know that one of the most important outcomes of the Kansas postsecondary education system is employment of our system's graduates. The Kansas Board of Regents and Postsecondary Technical Education Authority receive periodic updates on employment rates and wage data of our graduates. We offer vast amounts of data on employment and wage outcomes of students in our system.

We also are well familiar with the struggle our state's employers have in locating qualified talent. I heard about this concern when I traveled the state discussing our new strategic plan and our state's representative of the National Federation of Independent Business has raised concerns from Kansas businesses in finding qualified workers with the Legislature.

We believe our System has solutions, both for generating talent and also in offering specialized workforce training solutions. When you put forth the call to generate more nurses and more engineers, our System successfully leveraged targeted state appropriations into program graduates. HB 2287 could be another successful workforce story for our state.

★ LEADING HIGHER EDUCATION ★

The Center on Education and the Workforce published a workforce report on “Good Jobs That Pay Without a BA¹” and included a state-by-state analysis. Although the trends vary across states, they found that the level of education matters in getting one of those good jobs. As the nation’s economy has shifted, high school graduates’ share of good jobs has declined in nearly every state, including Kansas. Attached are the Kansas data from the report.

In order to get a sense for what programs may qualify under this new program, our staff pulled the most recent list of occupations with the highest demand and filtered for those occupations that require some postsecondary education but not a bachelor’s degree. The results are attached.

The Board of Regents is eager to work with you on how best to promote postsecondary pathways for Kansans and develop our state’s workforce to meet the needs of our state’s employers. The administration of the new Kansas Promise Scholarship program would require additional staffing for the Board of Regents Office because it is structured as a service scholarship. A new position and associated costs of \$65,064 are estimated to cost our agency’s operating expenses at the program’s inception.

The provisions of the bill that require monitoring and repayment are costly to administer. To follow up and monitor each individual recipient, which in the first year could total over 4,900 students, will consume a great deal of staff time. That work will then increase with passing year as more students receive awards, and as graduates must be monitored for compliance with the employment and repayment requirements. For this reason, we suggest you reconsider the employment and repayment requirements in the bill. If those provisions are removed, the bill’s fiscal note would not increase year over year for the administrative processing.

We also suggest several other points for you to consider as you discuss the provisions of HB 2287. First, we suggest you add language to the bill that prioritizes those with financial need. The language could be phrased “promise act scholarships may be awarded with priority given to those students who are determined on the basis of criteria under the federal methodology of need analysis to exhibit financial need.” That would give our agency the flexibility to award grants to those with financial need but give us the flexibility to make awards to students who do not have need.

Second, we suggest you permit scholarships be provided to students attending part-time, as we know there are many Kansans who are in the workforce and wish to upgrade their skills or change careers, but they also have a family to support and cannot afford to attend on a full-time basis.

As a technical issue, we request that you amend line 18 of page one so that reference to the Higher Learning Commission is replaced with “a nationally recognized accrediting agency for higher education in the United States.” This change is necessary for compliance with a current federal regulation governing the recognition of accrediting agencies within the federal Higher Education Act².

As state policymakers you know that our citizens need an education beyond high school to a greater extent than in our state’s history, and our state’s employers need a qualified workforce. Our System is working to serve both goals. Again, thank you for the opportunity to provide testimony in support of this bill.

¹ Georgetown University Center on Education and the Workforce, *Good Jobs That Pay without a BA: A State-by-State Analysis*, 2017, <http://goodjobsdata.org/wp-content/uploads/Good-Jobs-wo-BA.pdf>.

² <https://federalregister.gov/d/2019-23129>

High Demand Occupations Kansas - 2019

SOC Title	JVS ¹	ST ²	LT ³	Total Score	Rank	Education	Work Experience	Job Training	Median Annual Wage ⁴
Registered nurses	10	10	10	30	2	Bachelor's degree ⁵ Postsecondary	None	None	\$59,680
Heavy and tractor-trailer truck drivers	10	10	10	30	3	nondegree award Postsecondary	None	Short-term on-the-job training	\$43,520
Nursing assistants	10	10	10	30	6	nondegree award Some college, no degree	None	None	\$25,670
Teacher assistants	8	10	10	28	23	Some college, no degree Postsecondary	None	Moderate-term on-the-job training	\$24,240
Bookkeeping, accounting, and auditing clerks	7	10	10	27	24	nondegree award Postsecondary	None	None	\$35,250
Licensed practical and licensed vocational nurses	9	7	7	23	44	nondegree award Postsecondary	None	Short-term on-the-job training	\$43,440
Automotive service technicians and mechanics	9	7	7	23	45	nondegree award Postsecondary	None	None	\$38,090
Hairdressers, hairstylists, and cosmetologists	8	8	7	23	47	nondegree award Some college, no degree	None	None	\$19,600
Computer user support specialists	5	8	8	21	57	Postsecondary nondegree award	None	None	\$43,680
Medical assistants	7	7	7	21	60	nondegree award	None	None	\$30,540

Source: Kansas Department of Labor, Labor Market Information Services (LMIS)

1. Job Vacancy Survey Score is based off of the Spring 2019 Kansas Job Vacancy Survey
2. Short-term Projections Score is based off of the 2018-2020 round of projection data
3. Long-term Projections Score is based off of the 2016-2026 round of projection data
4. Wage data is from the 2019 Edition of the Kansas Wage Survey (data collected in 2018)
5. About half of registered nurses require only an associates degree

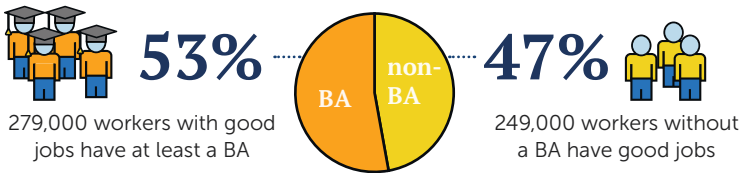
* 2018 Edition of the Kansas Wage Survey, 2018 edition wage data is not available

** 2018 U.S. Wage Data, Kansas wage data is not available

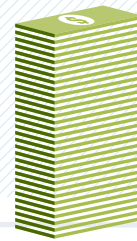
Note: List includes only those occupations with above average demand in one of the three categories and a total demand score greater than or equal to 10 with education beyond a high school diploma or its equivalent but less than a bachelor's degree.

Kansas

Who has the good jobs? BA vs. non-BA



\$55,000



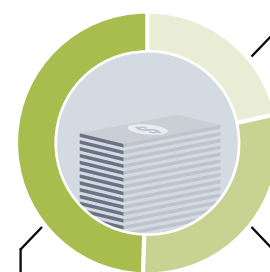
Median earnings of non-BA workers with good jobs in 2015

How big is the non-BA workforce?



Earnings distribution of non-BA good jobs

22% earn between \$35,000 and \$45,000

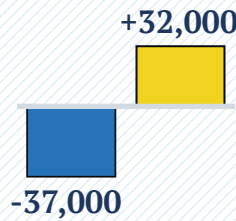


49% earn \$55,000 or higher

29% earn between \$45,000 and \$55,000

Change in number of non-BA good jobs 1991-2015

Between 1991 and 2015 Kansas lost **37,000 blue-collar** non-BA good jobs, but gained **32,000 skilled-services** good jobs for workers without BAs.



Non-BA good jobs in blue-collar vs. skilled-services industries

61% 152,000 workers are employed in **blue-collar** industries



98,000 workers are employed in **skilled-services** industries 39%



Source: Georgetown University Center on Education and the Workforce analysis of Bureau of the Census, *American Community Survey* microdata 2013-2015, US Census Bureau and Bureau of Labor Statistics, *Current Population Survey (CPS)* March Supplement data, 1992-2016.
 Note: Figures in charts and tables may not sum due to rounding.

Jobs by educational attainment

Educational attainment	Number of workers	Workers with good jobs	Median earnings	Median earnings of workers with good jobs
Non-BA Workers				
Less than high school	77,000	15,000	\$24,000	\$48,000
High school graduate	253,000	79,000	\$30,000	\$54,000
Some college	278,000	106,000	\$32,000	\$56,000
Associate's degree	106,000	49,000	\$36,000	\$55,000
All non-BA workers	715,000	249,000	\$31,000	\$55,000
BA+ Workers				
Bachelor's or higher	409,000	279,000	\$51,000	\$67,000
All workers	1,124,000	528,000	\$37,000	\$60,000

NON-BA GOOD JOBS

Top five industries

Industry	Number of non-BA good jobs	Share of non-BA good jobs	Share of non-BA workers with good jobs	Median earnings
Manufacturing	57,000	23%	47%	\$55,000
Construction	27,000	11%	42%	\$55,000
Transportation and utilities	27,000	11%	56%	\$61,000
Health services	24,000	10%	25%	\$51,000
Information, financial activities, and real estate	20,000	8%	41%	\$60,000

Top five occupations

Occupation	Number of non-BA good jobs	Share of non-BA good jobs	Share of non-BA workers with good jobs	Median earnings
Management	33,000	13%	64%	\$62,000
Production	30,000	12%	39%	\$52,000
Office and administrative support	27,000	11%	23%	\$51,000
Transportation and material moving	26,000	10%	37%	\$55,000
Construction and extraction	24,000	10%	40%	\$54,000

Source: Georgetown University Center on Education and the Workforce analysis of Bureau of the Census, *American Community Survey* microdata 2013-2015.

Note: Figures in charts and tables may not sum due to rounding.