



NEUTRAL Testimony on HB 2400
For the House Commerce, Labor & Economic Development Committee
February 15, 2023
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Chair Tarwater and members of the committee, thank you for the opportunity to provide written-only neutral testimony related to House Bill 2400.

Kansas' Independent Colleges:

KICA represents the twenty accredited undergraduate degree-granting private non-profit colleges of Kansas. Among KICA's members are the state's oldest institution – Baker University in Baldwin City, founded in 1858 – and the state's youngest non-proprietary institution – MidAmerica Nazarene University in Olathe, founded in 1966. KICA represents the twenty accredited undergraduate degree-granting private non-profit colleges of Kansas. The KICA institutions are, by statute and by historical precedent, outside the governance, coordination, or regulatory oversight of the Kansas Board of Regents.

Response to HB 2400:

We are grateful that HB 2400, in Section 1(b)(2)(C), clearly states that students who attend institutions that make up KICA as eligible for participation in this new scholarship.

However, we have concerns about the definition in Section 1(b)(2)(D). As written, that section would allow state tax dollars to flow to any competency-based online non-profit institution. This language creates two items that we recommend the committee examine and potentially provide additional language to clarify and strengthen the intent of the program envisioned.

- 1) The size and scope of online non-profit colleges and universities vastly dwarfs the institutions in Kansas. While Western Governors University is certainly a well-known and respected name, there are others. Capella University and Southern New Hampshire University are two other major players, for instance. Among students over the age of 25, WGU has more than 135,000 students nationwide. SHNU has 111,000 students. Capella has 36,000. While these are national figures, rather than Kansas residents, it still provides a sense of the scale that "online non-profit institutions" suggest. The combined enrollment of all bachelor's degree programs in Kansas – KBOR and KICA – is approximately 135,000 – the same as WGU's enrollment just in students over 25 years old.

This is not to denigrate any institution in particular. It is merely to note that the program envisioned in HB 2400 has the potential to be quickly and dramatically oversubscribed based only on the range of national online institutions that would be eligible on day one.

Moreover, nothing in this bill would stop other competency-based national online universities from emerging and seeking these funds. For instance, the University of

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