

SESSION OF 2011

**CONFERENCE COMMITTEE REPORT BRIEF
SENATE BILL NO. 143**

As Agreed to April 28, 2011

Brief*

SB 143 would make technical corrections and updates related to postsecondary technical education. The bill would update terminology, remove definitions for terms no longer used, eliminate vocational school references, add individual institution specific references, update and remove obsolete sections of identified statutes, and repeal statutes no longer needed. As part of the statutory update, members of the Postsecondary Technical Education Authority would include the designees of the Commissioner of Education, the Secretary of Commerce, and the Secretary of Labor.

The bill would create the Postsecondary Tiered Technical Education State Aid Act (the Act), replacing the current funding structure. Beginning with FY 2012, and in each fiscal year thereafter, each community college and technical college and the Washburn Institute of Technology would be eligible for postsecondary tiered technical education state aid from the State General Fund for credit hours approved by the State Board of Regents, using a credit hour cost calculation model, that would include all of the following concepts:

- Arrange into categories or tiers, technical education programs, recognizing cost differentials. (For example, programs with similar costs comprise one of six tiers.)

* 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/kldr>

- Consider target industries critical to the Kansas economy.
- Respond to program growth.
- Consider local taxing authority for credit hours generated by in-district students.
- Include other factors and considerations determined necessary by the State Board of Regents.

The State Board of Regents would establish the rates to be used as the state's share in a given year, as well as in the actual distribution. The bill would prohibit receipt of both tiered technical education state aid and non-tiered course state aid for any one credit hour. (A non-tiered course would be a general education course.)

The bill would provide for fund accounting and management requirements related to state aid received under the Act. The bill would authorize the State Board of Regents to adopt policies necessary or desirable to implement and administer the Act.

The bill would provide that each community college and technical college is eligible for a grant from the State General Fund, in an amount determined by the State Board of Regents for non-tiered course credit hours approved by the Board of Regents after dialogue with community college and technical college presidents.

The bill would amend K.S.A. 75-7201 to increase the minimum cost of university technology projects from \$250,000 to \$1.0 million or more, including \$500,000 or more from external sources, before the university is required to obtain the approval of the Department of Administration's Chief Information Technology Officer. Exceptions to provisions of the bill include new equipment, software or data, consulting or other professional services exceeding \$250,000 but less than \$1.0 million which would be required to comply with the information technology architecture adopted by the

Information Technology Executive Council and each calendar quarter the state university would be required to file a high-level information technology plan for these projects with the Chief Information Technology Officer including a risk assessment and management plan. In addition, any information technology project for state universities under the control of the State Board of Regents exceeding \$250,000 and funded by moneys from the Kansas Universal Service Fund would be required to obtain approval from the Department of Administration's Chief Information Technology Officer.

The bill would make a technical correction to KSA 76-769 related to State purchasing laws for Regents institutions. This correction would ensure that universities are not exempt from procurement requirements related to construction.

All provisions of this bill would be effective July 1, 2011.

Conference Committee Action

The Conference Committee inserted the contents of SB 13 into SB 143. (SB 13 would have made technical corrections and updates related to postsecondary technical education.) The Conference Committee also added SB 8 into SB 143, clarifying language that would state that any information technology project for state universities under the control of the State Board of Regents exceeding \$250,000 and funded by moneys from the Kansas Universal Service Fund would be required to obtain approval from the Department of Administration's Chief Information Technology Officer.

The Conference Committee inserted a provision that would include the designees of the Commissioner of Education and the secretaries of Commerce and Labor as members of the Postsecondary Technical Education Authority. The Conference Committee also made a technical correction to KSA 76-769 related to Regents institutions exemption from certain purchasing requirements. Finally, the

Conference Committee made all provisions of the bill effective on July 1, 2011.

Background

The original SB 143 was introduced by the Kansas Board of Regents in response to 2009 legislation (KSA 72-4482) which directed the Board to develop and recommend a credit hour funding distribution formula for postsecondary technical training programs that is tiered, takes into account target industries critical to the Kansas economy, is responsive to program growth, and includes other factors as deemed necessary and advisable.

Proponents of SB 143 included Dr. Robert J. Edelston, President of the Kansas Association of Technical Colleges; Dr. Ed Berger, representing the Kansas Association of Community College Trustees; and Dr. Blake Flanders, Vice President for Workforce Development with the Kansas Board of Regents.

The Senate Education Committee amended SB 143 by changing the effective date to publication in the statute book.

The House Committee on Education removed the contents of SB 13 and inserted those contents into SB 143. SB 13 was part of the Kansas Board of Regents legislative package brought to the Legislative Educational Planning Committee.

The President of the Kansas Association of Technical Colleges was a proponent of SB 13 along with the Vice-president of Workforce Development for the Kansas Board of Regents. SB 13 had no opponents. (SB 13 would make technical corrections and updates related to postsecondary technical education.)

The House Committee of the Whole made technical amendments to SB 143.

Regarding SB 8, the Kansas Board of Regents testified that currently, state university projects that will cost above \$250,000 must be approved by the Department of Administration's Chief Information Technology Officer. Significant changes in technology costs have made this a low threshold for projects and the proposed amendments would reduce the reporting burden and staff costs. Other proponents for the bill included the University of Kansas Medical Center, Kansas State University, and Emporia State University.

There was no opponent testimony against the bill.

The Senate Committee of the Whole amended the bill adding the following exceptions. Exceptions to provisions of the bill include new equipment, software or data, consulting or other professional services exceeding \$250,000 but less than \$1.0 million which would be required to comply with the information technology architecture adopted by the Information Technology Executive Council and each calendar quarter the state university would be required to file a high-level information technology plan for these projects with the Chief Information Technology Officer including a risk assessment and management plan. In addition, any information technology project exceeding \$250,000 and funded by moneys from the Kansas Universal Service Fund would be required to obtain approval from the Department of Administration's Chief Information Technology Officer.

The Division of the Budget fiscal note on the original SB 143 indicated that the bill would have no fiscal effect unless additional funding was appropriated by the Legislature. The Governor's budget assumes continuation of the current system. The Division of Budget fiscal note on the original SB 13 stated there would be no fiscal impact.

According to the fiscal note on the original SB 8, the bill would change the definition of "Information Technology Project" related to state universities under the control of the Board of Regents. The bill would increase the minimum cost from \$250,000 to \$1.0 million or more, including \$500,000 or

more from external sources, before approval would be required by the Executive Chief Information Technology Officer in the Department of Administration. The bill also would exclude infrastructure projects at the state universities from the definition of Information Technology Project. The Board of Regents notes that reducing the reporting burden would result in reduced overhead costs.

Postsecondary Technical Education; Information Technology Projects; State Board of Regents