

SESSION OF 2013

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 128**

As Amended by House Committee on Education

**Brief\***

SB 128, as amended, would postpone the termination date of the Postsecondary Technical Education Authority and its statutory functions. The current termination date is June 30, 2014; the bill would extend this date by three years, to June 30, 2017.

The bill would amend the statute creating the Career Technical Education (CTE) Incentive Program. The bill would specify that a student's accomplishment of obtaining an industry-recognized credential in one of certain specific occupations (a criterion for a school district or community or technical college to receive an incentive award) must be completed prior to graduation from high school or by December 31 immediately following graduation.

**Background**

The House Committee on Education inserted the contents of SB 22 into SB 128. The Committee also made a technical amendment to the bill.

At the hearing in the House Committee on Education on SB 22 related to the Postsecondary Technical Education Authority, proponents included representatives of the Kansas Association of Technical Colleges, Kansas Board of Regents (KBOR), the Postsecondary Technical Education Authority, and TRANE. Written proponent testimony was received from representatives of Abbot Workholding Products; Frederick

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Plumbing and Heating, Inc.; Kansas Energy Workforce Development Consortium; Newell Rubbermaid; Spirit AeroSystems; and Westar Energy. There were no opponents. The House Committee on Education heard proponent testimony on SB 128 related to the Career Technical Education Incentive Program from representatives of the Wichita School District and the Office of the Governor. There was no opponent testimony.

### ***SB 128 Background***

In 2012, the Legislature enacted SB 155, which, in part, created the CTE Incentive Program (*via* a new section that became KSA 2012 Supp. 72-4489). The CTE Incentive Program had begun as part of the Governor's Excellence in Education Act legislation (2012 SB 361).

KSA 2012 Supp. 72-4489 requires KBOR to establish the CTE Incentive Program, which will award \$1,000, subject to appropriation, to a school district for each high school student who graduates from that district with an industry-recognized credential in an occupation deemed by the Secretary of Labor, in consultation with the KBOR and the State Board of Education, as being in highest need of additional skilled employees at the time the pupil entered the CTE course or program in the district. A school district must reimburse a pupil who has not obtained a high school diploma and is or was enrolled in a CTE course or program in the district an amount up to half the cost of the industry-recognized credential assessment (assessment). This reimbursement will be taken out of the \$1,000 incentive award to the school district. No school district is required to pay for three or more assessments for the same or substantially the same credential if the pupil fails to earn the credential within two attempts of taking the assessment. After paying for assessments, the school district is allowed to use any remaining portion of the \$1,000 award for the district's operating expenses.

In the statute, the same provisions apply to students from private secondary schools, attending a community or technical college or institute of technology, except that KBOR must reimburse the community or technical institution for payment of the cost of assessments up to \$1,000 per student. The statute also clarifies that KBOR is required to distribute state funds to community colleges, technical colleges, and the Institute of Technology at Washburn University for the costs associated with secondary students enrolled at postsecondary CTE programs, to the extent sufficient moneys are appropriated to the program.

According to the Division of the Budget fiscal note, the CTE Incentive Program is expected to expand significantly in the near future; however, the amount associated with the change to the program in SB 128 could not be quantified and is not contained in *The FY 2014 Governor's Budget Report*.

### ***SB 22 Background***

According to KSA 72-4482, the Postsecondary Technical Education Authority has the delegated authority from KBOR to coordinate statewide planning for postsecondary technical education, new postsecondary technical education programs, and contract training. Among its other statutory duties, the Authority is required to develop and advocate, annually, a policy agenda for postsecondary technical education; conduct studies as to the best use of related resources; conduct studies to develop strategies and programs for meeting business and industry needs; make recommendations in related areas to KBOR and the Legislature; coordinate the development of a seamless technical education system between secondary and postsecondary schools; and develop and recommend to KBOR a credit-hour funding distribution formula that is designed around several statutorily-specified program goals. The statute also requires the appointment of a vice-president of workforce development who serves as the executive director of the Authority at the pleasure of the KBOR. KSA 72-4483 requires KBOR to provide staff, facilities, and other assistance to the Authority.

According to the Division of the Budget fiscal note, continuation of the Authority would require approximately \$680,000 annually from the State General Fund for ongoing expenditures, beginning in FY 2015. Those expenditures not only include support for the Authority itself, but also provide for technical education administration in general. The bill's fiscal effect is not reflected in *The FY 2014 Governor's Budget Report*.