



## TESTIMONY ON HOUSE BILL 2519

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Kansas House Committee on Education

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Chairman Huebert and members of the committee,

Thank you for the opportunity to testify today in support of House Bill 2519. My name is Joe Horvath, and I am a visiting fellow at Opportunity Solutions Project. OSP is a nonprofit, nonpartisan advocacy organization that seeks to enhance individuals' paths to self-sufficiency.

At this very moment, there are more than 350,000 young people enrolled in Kansas high schools.<sup>i</sup> They come from all walks of life, have different hopes and dreams, different family situations, and different economic backgrounds. But here's something they all have in common: over the next few years, if not right now, they will, regardless of whether they want to or intend to, make some of the biggest decisions of their lives, with long-lasting consequences.

Imagine two high school students. Student number one is raised in a home where the presumption is that she will attend a four-year institution. She doesn't yet know what she wants to do with the rest of her life, but she's advised to just go to college, even if she has to start undeclared, because that's just how you get on the path to the American dream. Two years in, and it's time to declare a major; she's no closer to knowing what she wants to do for the rest of her life than she was at 16, but now she has thousands of dollars of debt, and still no plan.

Student number two comes from a family where no one ever went to college. He gets pretty good grades and has taken an interest in several subjects but is told that college is too expensive and not worth the money. He decides not to pursue this avenue.

HB 2519 will help both kids dramatically, and in a very simple way. The bill before you today establishes a process by which the Department of Education collects, compiles, and distributes vital information to high school students via two major avenues: a document distributed among public high school guidance offices, and a searchable database containing similar information. Broadly speaking, the information collected on behalf of students will fall into one of three main categories: Kansas job market data; economic opportunity produced by various paths, including type of institution, course of study, and alternatives to college; and lastly, the cost of each path and average debt accrued by graduates. These categories: *economic opportunities, job data, and cost/debt*, will give Kansas' high school population a powerful tool by which they can make the best choice possible for themselves. Remember, this bill is not about making a choice for anyone—it is about helping them make the best choice for themselves.

### **Why these datasets?**

*Cost:* The average annual cost of a traditional four-year college, including tuition, fees, room, and board, is \$41,468.<sup>ii</sup> Directly related to this, student debt across the United States totals more than \$1.5 trillion dollars,<sup>iii</sup> and the average student debt total is \$37,000.<sup>iv</sup> Additionally, both the cost of college and student debt are rising at a rate higher than is sustainable. Even when adjusting for inflation, college tuition rates have increased nearly 100 percent since 1989.<sup>v</sup> For its part, total student loan debt has overtaken both auto loan and credit card debt.<sup>vi</sup>

If we are to make sure high school students can make the right decision, they need to know the exact costs. While it is true that finding the tuition costs of major institutions is relatively easy, the value of aggregating it with student loan debts, default rates, and average payment sizes cannot be overstated. These numbers represent the real cost to the individual. Practically speaking, there are very few debt vehicles as easy to get into as student loans. One could scarcely imagine getting an auto loan without collateral, income, or plan to pay it off, and auto loans are at least securitized by the car itself. Student loans are routinely accessed without any of these, and before signing up for tens or hundreds of thousands of dollars of debt, students should have a full, comprehensive concept for what those costs truly look like.

*Opportunity:* To ensure full awareness of their viability, HB 2519 requires the Department of Education to aggregate and publish the potential financial benefits of many career avenues open to high school students. This includes identifying lucrative courses of study, incomes based on specific schools, and even the opportunities provided by non-college routes. Just like with the cost aggregation above, this information is crucial to helping young people decide about their future. Not

even a rudimentary cost-benefit analysis can possibly be complete without the benefit side of the equation. HB 2519 provides that. Some students may not know that a certain major earns more than another, or that one school has a program that outperforms its peers by a substantial margin. Additionally, some students might be surprised to find out that a career in the trades can earn them considerably higher income than they may have originally assumed, often without the resultant debt. Combined with costs above, a student can roughly calculate “it will cost me [x] per month in order to earn [y] per month,” removing the guesswork out of selecting a college, or alternative to college.

*Job Data:* This information provides a real-world basis for Kansas students looking to decide what they want to do for the rest of their life, and how to get there. It also helps align the education system with the job market. Like in many states in this economy, Kansas’ employers are struggling to find individuals skilled in the things they need, to the point that unfilled positions outnumber the total number of unemployed individuals.<sup>vii</sup> HB 2519 should help close that skills gap among Kansas’ labor force by illuminating the in-demand status of certain jobs, as well as the most financially practical methods of getting them. Therefore, this bill not only serves high school students looking to make a life plan, but also employers desperate for good workers, and would contribute to suppressing Kansas’ ongoing domestic outmigration problem.

### **Why Kansas is a perfect fit for this concept**

The fact that Kansas can be a leader on this issue is no small coincidence: your state already takes these issues seriously, proven by the fact that a good portion of the necessary infrastructure to implement HB 2519 already exists. Your state’s Board of Regents currently operates a website, [ksdegreestats.org](http://ksdegreestats.org). The data compiled by that site can account for a considerable amount of information necessary relative to graduation rates, school- and major-based performance, and hypothetical debt rates. Additionally, your Department of Labor aggregates much of what this bill needs, located under the Labor Market tab of [klic.dol.ks.gov](http://klic.dol.ks.gov). Between these two sites, much of what students need can be compiled, aggregated, and published. Compared to other states working on this specific issue, it is a much lighter lift for a great reward: students, guidance counselors, and parents will all have a strong, comprehensive, and easy-to-understand source for all the information they could possibly need in planning their future.

Thank you for your time today, and I would be happy to answer any questions you may have.

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<sup>i</sup> <https://high-schools.com/directory/ks/#school-rankings>

<sup>ii</sup> <https://nces.ed.gov/fastfacts/display.asp?id=76>

<sup>iii</sup> <https://www.forbes.com/sites/zackfriedman/2019/02/25/student-loan-debt-statistics-2019/#60991fb1133f>

<sup>iv</sup> <https://www.chamberofcommerce.org/student-loan-statistics/>

<sup>v</sup> <https://www.forbes.com/sites/camilomaldonado/2018/07/24/price-of-college-increasing-almost-8-times-faster-than-wages/#7696cc6266c1>

<sup>vi</sup> <https://www.newyorkfed.org/newsevents/news/research/2018/tp180213>

<sup>vii</sup> <https://www.bizjournals.com/kansascity/news/2019/10/07/kansas-unfilled-jobs-exceed-unemployed-people.html>