

ARIZONA HOUSE OF REPRESENTATIVES
Fifty-first Legislature – Second Regular Session

**COMMITTEE ON HIGHER EDUCATION AND
WORKFORCE DEVELOPMENT**

Minutes of Meeting
Wednesday, March 19, 2014
House Hearing Room 1 -- 10:00 a.m.

Chairman Dial called the meeting to order at 10:05 a.m. and attendance was noted by the secretary.

Members Present

Ms. Alston
Mr. Coleman
Mr. Larkin

Mr. Saldate
Mr. Stevens

Mr. Thorpe
Mr. Dial, Chairman

Members Absent

Mr. Orr, Vice-Chairman (excused)

Committee Action

SB1289 – DP (6-1-0-1)

SB1392 – DP (7-0-0-1)

PRESENTATIONS

Dr. Brian Sajko, Dean, Enrollment Management, Prescott College; Member, Commission for Postsecondary Education, stated that Prescott College is Arizona's own private, nonprofit university that offers bachelor's, master's and doctoral degrees in resident and limited-residency format (Attachments 1, 2 and 3). The disciplines of study include education, adventure education, arts and letters (Attachment 4), language education, environmental studies and sustainability (Attachment 5) and psychology and counseling (Attachment 6). Student enrollment is approximately 1,200 with 500 students on campus and 700 scattered throughout the world.

He stated that Prescott College was founded in 1966. He cited rankings from different publications and noted that the Arizona Department of Veterans' Services named the college a certified veteran-supported campus. He discussed the recently-instituted Prescott Plan to address accessibility and affordability of a private college education, which is receiving national attention (Attachment 7). He named a few well-known graduates of Prescott College and stated that the college has made a huge impact on Arizona. He invited the Members to visit the campus.

Dr. Brian K. Sidaway, Dean, College of Veterinary Medicine, Midwestern University, spoke in place of Dr. Kathleen H. Goeppinger. He related that Midwestern University is a not-for-profit, private university with campuses in Illinois and Glendale, Arizona. The College of Veterinary Medicine was established approximately two years ago by a vote of the Board of Trustees and Midwestern University invested approximately \$180 million to support the new college, which he invited the Members to visit. A new state-of-the-art teaching facility and a small animal clinic are currently under construction and will be completed in the fall, and construction of a research institute and a large animal facility will begin soon. The college recently completed the first phase of hiring 30 faculty and staff, which is expected to increase to 80 to 90 over the next three to four years, so the college is creating jobs for the local community, many of which are well-paying.

He indicated that the college passed the first hurdle of the accreditation process with the American Veterinary Medical Association (AVMA), which involves the AVMA reviewing and approving their plan, but no school is fully accredited until the first class graduates, which will be in 2018. There were nearly 700 applicants for the first class, which is expected to have approximately 100 students; many will be from Arizona but a large number will be from out of state. The first class begins in August 2014 and 61 students paid deposits to secure a seat, so it is almost two-thirds full. The university has a substantial research program in place. One of the things that has been done that will be unique for colleges of veterinary medicine is the creation of a new research institute that will focus on clinical trials on naturally-occurring diseases in animals, many of which will probably be translated to people.

Dr. Meredith Curley, Interim Provost/Dean, College of Education, University of Phoenix, advised that the university has 1 million students, alumni, faculty and employees. It is among the largest private universities in North America and Arizona's leader in serving working adult students. The mission is to provide access to higher education opportunities for all students. It is an open access institution that works closely with many of Arizona's community college districts to create transitions from associate's to bachelor's degree programs, deliver what employers in Arizona need to grow their workforces, deliver education to enhance career success and provide lifelong learning. In Arizona, the university has locations in Phoenix, Tucson, Mesa, Chandler and Yuma. At the end of the last fiscal year, there were 269,000 students in local campuses in 36 states. The vast majority of students complete coursework online. The university gives prospective students tools to plan for their tuition, with the goal of minimizing or eliminating loans. She added that the university is eager to work with the Members throughout the session to help promote higher education in Arizona and help students obtain the learning and instruction needed to be competitive in this increasingly global economy. She encouraged the Members to visit the campus.

Dr. Benjamin Pryor, Provost, Western International University, indicated that he joined Western this year after 25 years in traditional higher education because the University provides high-quality, innovative and affordable education programs that are taught by faculty who are participants in the fields in which they teach. The university has always provided accessible education programs and today offers nine program options. Courses start every month and working adult students are offered a tuition price comparable to the most affordable institutions in the country. The university has undergone transformation and become one of the signature initiatives of its parent company, the Apollo Education Group, designed to support more self-

directed students who want to complete programs online in a specific field of study. The tuition rate is all-inclusive, which means there are no additional application fees, textbook fees, etc. Online tuition is half the cost of many other schools with the total cost of a bachelor's degree being about \$30,000. The university is ranked as the top military-friendly school by *G.I. Jobs Magazine* and tuition discounts are offered for active duty service members, spouses and veterans. The degree programs offer flexibility tailored to accommodate the mobile lifestyle of the military community.

Dr. Pryor stated that the university is working closely with local employers to design alternative learning programs that tie directly to employment in local companies. Higher education is changing at a rapid pace and their ability to prove nimble and deliver quickly on demands from students and employers will deliver results, especially for local economies. The support of policymakers in recognizing the role the university plays in the state's larger higher education environment is not only important, but something that is not taken for granted.

CONSIDERATION OF BILLS

SB1289 – teacher student loan program; appropriation – DO PASS

Mr. Stevens moved that SB1289 do pass.

Kyle Heitmann, Majority Research Intern, explained that SB1289 appropriates \$500,000 from the General Fund (GF) in fiscal year (FY) 2014-2015 to the Commission for Postsecondary Education to deposit in the Mathematics, Science and Special Education Teacher Student Loan Program and makes changes with regard to the loan requirements (Attachment 8).

Chairman Stevens questioned how many participants are expected in this program.

Senator Kimberly Yee, sponsor, said this bill is the result of discussions with the science, technology, engineering and math (STEM) community; the ultimate goal is to begin the process of training teachers. The program is modeled after the Medical Student Loan Program where students make a commitment after graduation to teach in certain areas. With the appropriated amount, approximately 17 new teachers will be able to participate.

Dr. April Osborn, Executive Director, Arizona Commission for Postsecondary Education, in favor of SB1289, stated that one of the core responsibilities of the Commission is student financial assistance. This particular program was established in 2007 and there are some early outcomes, which she reviewed (Attachment 9). The graduates are required to teach in their specific area for the number of years the grant is acquired plus one year. She reviewed an email from Dr. Debra Duvall, Executive Director, Arizona School Administrators, showing the results of a survey of superintendents and principals relating to teacher shortages in math, science and special education (Attachment 10). She pointed out that the back of the handout containing outcomes shows the locations where graduates fulfilled one year of their obligation in 2013 (Attachment 9).

Norman Moore, Attorney, Independent Colleges and Universities of Arizona, in favor of SB1289, said this program was started in 2007 and expanded to include private schools in 2010,

such as the Grand Canyon University, the University of Phoenix, Ottawa University, Arizona Christian University and Prescott College.

In response to questions, Dr. Osborn addressed the application process and accountability, noting that the Commission is required to track the graduates for a few years, so in 10 years more data will be available about retention. She noted that program funding was cut from \$2 million to \$176,000, which is an additional ongoing appropriation to the Commission.

Ms. Alston thanked Senator Yee for sponsoring this legislation and pointed out that the graduates are working throughout the state. She said these teachers are desperately needed. It is difficult to find highly-qualified teachers in these subject areas because of the many opportunities to go into the private sector where they can earn three or four times what a teacher makes. Chairman Dial also thanked Senator Yee for bringing this forward because it is crucial to have more teachers in mathematics, science and special education.

Mr. Stevens asked if the students choose the school district to teach in before entering the program; most of the graduates are teaching in the Phoenix metropolitan area and very few are teaching in rural areas. Dr. Osborn responded that elementary school teachers are required to teach in rural areas but, because there are so many opportunities, the graduates can choose where to live.

Mr. Stevens announced the names of those who signed up in support of SB1289 but did not speak:

Steven Zylstra, representing self

Ronald Joseph Schott, representing self

Don Isaacson, Independent Colleges and Universities of Arizona; University of Phoenix (Apollo Group, Inc.)

Beth Lewallen, Arizona Board of Regents

Katy Yanez, Lobbyist, Northern Arizona University

Charles "Steve" Miller, Lobbyist, Arizona State University

Gretchen Martinez, Lobbyist, Arizona Chamber of Commerce and Industry

Timothy Bee, University of Arizona

Abigail Polito, Lobbyist, Arizona State University

Question was called on the motion that SB1289 do pass. The motion carried by a roll call vote of 6-1-0-1 (Attachment 11).

SB1392 – universities; intellectual property. – DO PASS

Mr. Stevens moved that SB1392 do pass.

Michael Madden, Majority Research Assistant Analyst, explained that SB1392 modifies the process for transferring technology and intellectual property from the Arizona Board of Regents (ABOR) to third parties (Attachment 12).

Senator Kimberly Yee, sponsor, indicated that when a university has intellectual property, it goes through a regulatory process, which involves the ABOR; however, the ABOR does not meet on a

monthly basis, which delays the marketing of products. SB1392 modifies ABOR's involvement to streamline the process.

Beth Lewallen, Arizona Board of Regents, in favor of SB1392, stated that this process was put in place in 1986. Technology and communication methods have changed significantly since then and the universities have put in place streamlined and impressive technology transfer wings. ABOR oversees this process, but the business community is often held up waiting for ABOR to vote. SB1392 allows ABOR to work with the universities to oversee the process as it happens rather than holding up the creation of new business and new jobs in Arizona.

Mr. Stevens announced the names of those who signed up in support of SB1392 but did not speak:

Steven Zylstra, representing self

Ronald Joseph Schott, representing self

Manny Tarango, Salt River Project

Robert Medler, Lobbyist, Tucson Metropolitan Chamber of Commerce

Katy Yanez, Lobbyist, Northern Arizona University

Nancy Tribbinsee, representing self

Charles "Steve" Miller, Lobbyist, Arizona State University

Michael Haener, Partner, Arizona BioIndustry Association

Lisa A. Atkins, Vice President for Public Policy, Greater Phoenix Leadership, Inc.

Eric Emmert, Lobbyist, East Valley Chamber of Commerce Alliance

Ryan Harper, Lobbyist, Flagstaff Forty, Southern Arizona Leadership Council

Gretchen Martinez, Lobbyist, Arizona Chamber of Commerce and Industry

Chad Heinrich, Lobbyist, Greater Phoenix Chamber of Commerce

Abigail Polito, Lobbyist, Arizona State University

Timothy Bee, University of Arizona

Question was called on the motion that SB1392 do pass. The motion carried by a roll call vote of 7-0-0-1 (Attachment 13).

Without objection, the meeting adjourned at 11:09 a.m.

Linda Taylor, Committee Secretary
April 8, 2014

(Original minutes, attachments and audio on file in the Chief Clerk's Office; video archives available at <http://www.azleg.gov>)