

SESSION OF 2010

**CONFERENCE COMMITTEE REPORT BRIEF
SENATE BILL NO. 131**

As Agreed to May 7, 2010

Brief*

SB 131 would amend the Private and Out-of-State Postsecondary Educational Institutions Act. Under current law, each institution would have to apply to the State Board of Regents for a certificate of approval, but would not have to obtain additional approval for a branch campus. The bill would require that institutions notify the State Board of Regents about the existence of the branch campus. The branch campus would be subject to fees and review by the Board to ensure it is in compliance with laws and regulations.

Other provisions of the bill include new definitions of regulated institutions, changes to the application and renewal process for branch campuses, clarifying the types of degrees requiring a certificate of approval, and providing for greater penalties for violations of the Act.

The bill also would establish a broad range of fees for degree and non-degree granting institutions. The fee changes are shown on subsequent pages. The fee increases would be in effect for one year only, for FY 2011.

Finally, the bill would require any faculty member employed by a state educational institution who receives an annual salary of \$150,000 or more, other than an adjunct faculty member, file a statement of substantial interests with the Kansas Governmental Ethics Commission.

*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>

Conference Committee Action

The Conference Committee agreed to delete the contents of SB 131 and insert the contents of the House version of SB 485. In addition, the Conference Committee agreed to reduce the maximum fees for private postsecondary educational institutions to the State Board of Regents' proposed regulation amounts which were lower than the Board's proposed statutory maximums. The Conference Committee agreed to amend the portion of SB 416 which would eliminate the requirement that certain faculty members employed by state education institutions submit a statement of substantial interests to the Kansas Governmental Ethics Commission; instead the Conference Committee agreed to require any faculty member employed by a state educational institution who receives an annual salary of \$150,000 or more other than an adjunct faculty member, file a statement of substantial interests with the Kansas Governmental Ethics Commission.

Background

The original SB 131, as amended, would allow the governing body of a technical college to change the name of the college by adopting a resolution. The bill also would direct the State Board of Education to establish an Early High School Graduation Incentive Program. These contents were deleted by the Conference Committee.

SB 416, a portion of which the Conference Committee added to SB 131, amended state law to require that a faculty member employed by a state education institution who receives an annual salary of \$50,000 or more, other than an adjunct faculty member, file a statement of substantial interest with the Kansas Governmental Ethics Commission (KGEC).

SB 485, which was inserted into SB 131 by the Conference Committee, was introduced by the Legislative Educational Planning Committee on behalf of the State Board

of Regents. The President of the State Board of Regents was a proponent of the bill. There were no opponents.

The Senate Education Committee amended the bill by clarifying language in the bill. The House Education Committee amended the bill by including specialists in the definition of "academic degree."

The Division of the Budget fiscal note for the original SB 485 indicated that the Private Postsecondary Division within the Board of Regents office carries out the administrative responsibilities related to the Private and Out-of-State Postsecondary Educational Institutions Act with costs financed from fees paid by the regulated institutions. According to the fiscal note if the bill is enacted, fees would be set at a level that would cover program costs. The estimated revenue for FY 2010 under current law is \$182,200 and the estimate for FY 2011 under provisions of the original bill would be \$390,100, an increase of \$207,600.

There was no fiscal note for SB 131 as agreed upon by the Conference Committee.

**PRIVATE POSTSECONDARY EDUCATION
COMPARISON OF PROPOSED STATUTE FEE STRUCTURE**

Fees – In-State Institutions	Current Statutory Maximum	Proposed Regulation If Bill Enacted
Initial Application Fee -		
Non-degree granting	\$1,700	\$2,000
Degree granting	\$2,000	\$3,000
Initial degree level evaluation –		
Non-degree granting	No Current Fee	\$ 750
Associate degree		\$1,000
Baccalaureate		\$2,000
Masters		\$3,000
Professional or Doctoral		\$4,000
Renewal Application Fee		0.2 percent of gross tuition
Non-degree granting	\$1,200	\$ 1,200 min or \$25,000 max.
Degree granting	\$1,600	\$1,600 min. or \$25,000 max.
New Program Fee – (cost per program)		
Non-degree		\$ 250
Associate degree	No Current Fee	\$ 500
Baccalaureate		\$ 750
Master's		\$ 1,000
Professional or Doctoral		\$ 2,000
Program Modification Fee (per program)	No Current Fee	\$ 100
Branch Site Fee –		
Initial – Non-degree	Branches are not	\$ 1,500
Initial – Degree	charged separate fees	\$ 2,500
Renewal:	at this time	
Non-degree		0.2 percent of gross tuition
Degree		\$ 1,200 min. or \$25,000 max.
		\$ 1,600 min. or \$25,000 max.
Site Approval Visit (KBOR staff)	No Current Fee	\$ 250

Fees – In-State Institutions	Current Statutory Maximum	Proposed Regulation If Bill Enacted
Representative Fees Initial Registration Renewal	\$150 \$100	\$ 200 \$ 150
Renewal – Late Submission Fee Student Transcript Fee Returned Check Fee	No Current Fee No Current Fee No Current Fee	\$ 125 \$ 10 \$ 50
Changes in School Profile Fee – Change in Name Change in Location Change of Only Ownership Change in Ownership with additional changes in the institution’s programs, instruction, location, or entrance requirements	No Current Fee No Current Fee No Current Fee Changes in Ownership representing a change in curriculum, must apply for new certificate of approval. Application fees apply	\$ 100 \$ 100 \$ 100 Must apply for new authorization Initial application fees apply
Evaluation Team Fee (Hiring of outside experts needed to help assist in the site evaluation)	No Current Fee	Applicant Institution is responsible for any costs connected with the on-site evaluation, and if necessary, subsequent visits, including travel, meals, lodging, subject matter expert fees, and associated costs

**PRIVATE POSTSECONDARY EDUCATION
COMPARISON OF PROPOSED STATUTE FEE STRUCTURE**

Fees – Out-of-State Institutions	Current Statutory Maximum	Proposed Regulation If Bill Enacted
Initial Application Fee -		
Non-degree granting	\$3,400	\$ 4,000
Degree granting	\$3,800	\$ 5,500
Initial degree level evaluation –		
Non-degree granting		\$1,500
Associate degree	No Current Fee	\$2,000
Baccalaureate		\$3,000
Masters		\$4,000
Professional or Doctoral		\$5,000
Renewal Application Fee –		
Non-degree granting	\$2,400	0.3 percent of gross tuition
Degree granting	\$2,800	\$ 2,400 min. or \$25,000 max.
		\$ 3,000 min. or \$25,000 max.
New Program Fee – (cost per program)		
Non-degree		\$ 500
Associate degree	No Current Fee	\$ 750
Baccalaureate		\$1,000
Master's		\$1,500
Professional or Doctoral		\$2,500
Program Modification Fee	No Current Fee	\$ 100
Branch Site Fee –		
Initial – Non-degree		\$ 4,000
Initial – Degree	Branches are not charged separate fees at this time	\$ 5,500
Renewal:		
Non-degree		0.3 percent of gross tuition
Degree		\$ 2,400 min. or \$25,000 max.
		\$ 3,000 min. or \$25,000 max.

Fees – Out-of-State Institutions	Current Statutory Maximum	Proposed Regulation If Bill Enacted
<p>Representative Fees: Initial Registration Renewal</p> <p>Renewal – Late Submission Fee</p> <p>Student Transcript Fee</p> <p>Changes in School Profile Fee – Change in Name Change in Location Change of Only Ownership Change in Ownership with additional changes in the institution’s programs, instruction, location, or entrance requirements</p> <p>Evaluation Team Fee (Hiring of outside experts needed to help assist in the site evaluation)</p>	<p style="text-align: right;">\$300 \$200</p> <p style="text-align: center;">No Current Fee</p> <p style="text-align: right;">\$ 10</p> <p style="text-align: center;">No Current Fee No Current Fee No Current Fee</p> <p style="text-align: center;">Changes in Ownership representing a change in curriculum, must apply for new certificate of approval. Application fees apply</p> <p style="text-align: center;">No Current Fee</p>	<p style="text-align: right;">\$ 350 \$ 250</p> <p style="text-align: right;">\$ 125</p> <p style="text-align: right;">\$ 10</p> <p style="text-align: right;">\$ 100 \$ 100 \$ 100</p> <p style="text-align: center;">Must apply for new authorization Initial application fees apply</p> <p style="text-align: center;">Applicant Institution is responsible for any costs connected with the on-site evaluation, and if necessary, subsequent visits, including travel, meals, lodging, subject matter expert fees, and associated costs.</p>