



Proposed

KANSAS BOARD OF REGENTS

NOTICE OF HEARING ON PROPOSED ADMINISTRATIVE REGULATION
K.A.R. 88-28-6

A public hearing will be conducted on September 7, 2011, from 10:00 AM to 12:00 PM in the Board of Regents Board Room, 1000 S.W. Jackson, Suite 520, Topeka, to consider the proposed amendments to the regulation dealing with the fees charged to Private and Out-of-State Postsecondary Educational Institutions.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comment on the proposed regulations. All interested parties may submit written comments prior to the hearing to Jacqueline Johnson, Kansas Board of Regents, 1000 S.W. Jackson, Suite 520, Topeka, Kansas 66612-1368. All interested parties will be given a reasonable opportunity to present their views orally on the amendments of the regulations during the hearing.

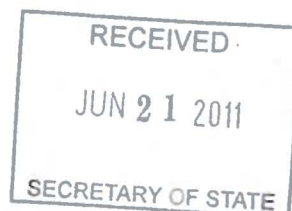
Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed regulations and economic impact statement in an accessible format. Requests for accommodation should be made at least five working days in advance of the hearing by contacting Danielle Garretson at 785-296-2410.

Copies of the amendments and the economic impact statements may be found at http://www.kansasregents.org/statutes_and_regulations or obtained by contacting Danielle Garretson at the above listed contact information. A summary of the proposed regulation and the economic impact follows:

K.A.R. 88-28-6 establishes fees that must be paid by private or out-of-state postsecondary institutions that operate in the state of Kansas. The proposed amendment will add new categories to the regulation and set fees paid by such institutions as allowed by the authorizing statute, K.S.A. 2010 Supp. 74-32,181, as amended by 2011 HB 2020§3.

There is no anticipated economic impact on the board, as its duties will not expand with the promulgation of the amendment to this regulation. However, with the enhanced revenues that this regulatory change will bring about, KBOR will be better positioned to address and handle the increased workload. There is no anticipated economic impact upon other governmental agencies or entities, or private citizens. There will be an economic impact upon those private and out-of-state post-secondary educational institutions to which the Act applies.

Andy Tompkins
President and CEO



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88-28-6. Fees. Fees for certificates of approval, registration of representatives, and certain transcripts shall be collected by the state board in accordance with this regulation. ~~(a) For institutions domiciled or having their principal place of business within the state of Kansas, the following fees shall apply:~~

~~(1)(A) Initial issuance of certificate of approval
without degree granting authority \$1,700~~

~~(B) Renewal of certificate of approval
without degree granting authority \$1,200~~

~~(2)(A) Initial issuance of certificate of approval
with degree granting authority \$2,000~~

~~(B) Renewal of certificate of approval
with degree granting authority \$1,600~~

~~(3)(A) Initial registration of representative \$150~~

~~(B) Renewal of registration of representative \$100~~

~~(b) For institutions domiciled or having their principal place of business outside the state of Kansas, the following fees shall apply:~~

~~(1)(A) Initial issuance of certificate of approval
without degree granting authority \$3,400~~

~~(B) Renewal of certificate of approval
without degree granting authority \$ 2,400~~

~~(2)(A) Initial issuance of certificate of approval~~

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~~with degree-granting authority~~ \$3,800

~~(B) Renewal of certificate of approval~~

~~with degree-granting authority~~ \$2,800

~~(3)(A) Initial registration of representative~~ \$300

~~(B) Renewal of registration of representative~~ \$200

~~(c) For any institution that has ceased operation, the following fee shall apply:~~

~~Student transcript as requested or authorized by the student~~ \$10

(a) For institutions domiciled or having their principal place of business within the state of

Kansas, the following fees shall apply:

(1) Initial application fees:

(A) Non-degree-granting institution \$2,000

(B) Degree-granting institution \$3,000

(2) Initial evaluation fee, in addition to initial application fees:

(A) Non-degree level \$750

(B) Associate degree level \$1,000

(C) Baccalaureate degree level \$2,000

(D) Master's degree level \$3,000

(E) Professional and doctoral degree levels \$4,000

(3) Renewal application fees:

(A) Non-degree-granting institution 2% of gross tuition

but not less than \$800 and not more than \$15,000

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(B) Degree-granting institution 2% of gross tuition,
but not less than \$1,600 and not more than \$15,000

(4) New program submission fees, for each new program:

(A) Non-degree program \$250

(B) Associate degree program \$500

(C) Baccalaureate degree program \$750

(D) Master's degree program \$1,000

(E) Professional and doctoral degree programs \$2,000

(5) Program modification fee, for each program \$100

(6) Branch campus site fees, for each branch campus site:

(A) Initial non-degree-granting institution \$1,500

(B) Initial degree-granting institution \$2,500

(7) Renewal branch campus site fees, for each branch campus site:

(A) Non-degree-granting institution 2% of gross tuition,
but not less than \$800 and not more than \$15,000

(B) Degree-granting institution 2% of gross tuition,
but not less than \$1,600 and not more than \$15,000

(8) On-site branch campus review fee, for each branch campus site \$250

(9) Representative fees:

(A) Initial registration \$200

(B) Renewal of registration \$150

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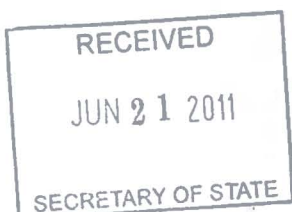
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<u>(10) Late submission of renewal of application fee</u>	<u>\$125</u>
<u>(11) Student transcript copy fee</u>	<u>\$10</u>
<u>(12) Returned check fee</u>	<u>\$50</u>
<u>(13) Changes in institution profile fees:</u>	
<u>(A) Change of institution name</u>	<u>\$100</u>
<u>(B) Change of institution location</u>	<u>\$100</u>
<u>(C) Change of ownership only</u>	<u>\$100</u>
<u>(b) For institutions domiciled or having their principal place of business outside the state</u>	

of Kansas, the following fees shall apply:

<u>(1) Initial application fees:</u>	
<u>(A) Non-degree-granting institution</u>	<u>\$4,000</u>
<u>(B) Degree-granting institution</u>	<u>\$5,500</u>
<u>(2) Initial evaluation fee, in addition to initial application fees:</u>	
<u>(A) Non-degree level</u>	<u>\$1,500</u>
<u>(B) Associate degree level</u>	<u>\$2,000</u>
<u>(C) Baccalaureate degree level</u>	<u>\$3,000</u>
<u>(D) Master's degree level</u>	<u>\$4,000</u>
<u>(E) Professional and doctoral degree levels</u>	<u>\$5,000</u>
<u>(3) Renewal application fees:</u>	

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(A) Non-degree-granting institution 3% of gross tuition
received or derived from Kansas students, but not
less than \$2,400 and not more than \$15,000

(B) Degree-granting institution 3% of gross tuition
received or derived from Kansas students, but not
less than \$3,000 and not more than \$15,000

(4) New program submission fees, for each new program:

(A) Non-degree program \$500

(B) Associate degree program \$750

(C) Baccalaureate degree program \$1,000

(D) Master's degree program \$1,500

(E) Professional and doctoral degree programs \$2,500

(5) Program modification fee, for each program \$100

(6) Branch campus site fees, for each branch campus site:

(A) Initial non-degree-granting institution \$4,000

(B) Initial degree-granting institution \$5,500

(7) Renewal branch campus site fees, for each branch campus site:

(A) Non-degree-granting institution 3% of gross tuition
received or derived from Kansas students, but not
less than \$2,400 and not more than \$15,000

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<u>(B) Degree-granting institution</u>	<u>3% of gross tuition</u>
	<u>received or derived from Kansas students, but not</u>
	<u>less than \$3,000 and not more than \$15,000</u>
<u>(8) On-site branch campus review, fee for each branch campus site</u>	<u>\$500</u>
<u>(9) Representative fees:</u>	
<u>(A) Initial registration</u>	<u>\$350</u>
<u>(B) Renewal of registration</u>	<u>\$250</u>
<u>(10) Late submission of renewal of application fee</u>	<u>\$125</u>
<u>(11) Student transcript copy fee</u>	<u>\$10</u>
<u>(12) Returned check fee</u>	<u>\$50</u>
<u>(13) Changes in institution profile fees:</u>	
<u>(A) Change of institution name</u>	<u>\$100</u>
<u>(B) Change of institution location</u>	<u>\$100</u>
<u>(C) Change of ownership only</u>	<u>\$100</u>

(Authorized by and implementing K.S.A. ~~2008~~ 2010 Supp. 74-32,181, as amended by 2011 HB
2020, sec. 3; effective Oct. 20, 2006; amended April 16, 2010; amended, T-_____,
_____; amended P-_____.)

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ECONOMIC IMPACT STATEMENT FOR K.A.R. 88-28-6

1. Summary of proposed regulation, including purposes.

The purpose of this regulation is to carry out the provisions of K.S.A. 74-32,181, as amended by 2011 HB 2020 §3, and will impact the fees being charged for various regulatory and administrative functions associated with the work done by the Kansas Board of Regents (KBOR) pursuant to the Private and Out-of-State Postsecondary Act ("The Act"), K.S.A. 74-32,162 *et seq.* The changes to the existing version of this regulation add new fee categories and establish the fees within the new statutory minimums and maximums. This change to the regulation will generally not require higher fee payments by those institutions and representatives of the institutions who are subject to the Act, because the fees in question are already being charged pursuant to K.S.A. 2010 Supp. 74-32,181a, which set these new fees at their highest levels and did not require promulgation of a regulation. However, this statute sunsets as of July 1, 2011, and if the proposed amendments to K.A.R. 88-28-6 are not in place at that time or soon thereafter, the fees would revert to the levels set in the current version of K.A.R. 88-28-6. These fees were established under the former version of the statute, do not include the categories or amounts approved by the Legislature, and are not sufficient to fund the regulation and oversight of this sector by KBOR.

2. Reason or reasons the proposed regulation is required, including whether or not the regulation is mandated by federal law.

The changes in fees are necessitated by the 2011 changes in the fee statute and are due to the ever increasing number of schools subject to the Act resulting in an increased workload and demands upon KBOR to review such schools and insure compliance with the standards imposed under the Act. In order to adequately fund the work done in relation to regulating this sector, the Legislature approved a change in the fees and fee structure, pursuant to K.S.A. 2010 Supp. 74-32,181a (which sunsets July 1, 2011) and K.S.A. 74-31,181, as amended by 2011 HB 2020 §3. The change in the regulation is necessary to protect the health, safety and welfare of the Kansas public and insure adequate funding of the work done to regulate this sector.

3. Anticipated economic impact upon the Kansas State Board of Regents.

There is no anticipated economic impact on the board, as its duties will not expand because of the promulgation of the amendment to this regulation. However, the increased fees KBOR are necessary to address and handle the workload associated with enforcing the provisions of K.S.A. 74-32,162 *et seq.* Without these regulations, the amount of work the division could do would be significantly diminished.

4. Anticipated financial impact upon other governmental agencies and upon private businesses or individuals.

There is no anticipated economic impact upon other governmental agencies or governmental entities. There will be an economic impact upon those private and out-of-state post-secondary educational institutions to which the Act applies. However, a great many of these institutions support this change as they realize that they and the purposes of Act are better served if the KBOR private postsecondary division has the revenues necessary to handle the increased work load. Further, because of the 2010 Legislative action that resulted in enactment of K.S.A. 2010 Supp. 74-32,181a, the industry has already been paying higher fees.

5. Anticipated economic impact upon private citizens.

There is no anticipated direct economic impact upon private citizens. The institutions in question could attempt to pass along increased fees to students. However, the industry understands that this is the cost of doing business in Kansas. Based upon the Board's experience and experience in other states, there has not been a direct correlation between increased regulatory fees and increased tuition.



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6. Less costly or intrusive methods that were considered, but that were rejected, and the reason for rejection.

No other methods were considered. A public hearing on these regulations will be held on September 7, 2011, in the Board of Regents Board Room, 1000 S.W. Jackson Street, Suite 520, Topeka, Kansas.

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