Session of 2015

# **SENATE BILL No. 193**

By Committee on Ways and Means

2-11

AN ACT concerning postsecondary educational institutions; relating to degree program transparency.

Be it enacted by the Legislature of the State of Kansas:

Section 1. (a) On or before January 1, 2016, each postsecondary educational institution shall publish a single-page degree prospectus for each degree program offered by such institution that summarizes information and statistics on such degree program. The information to be included in the degree prospectus for each degree program shall include the following:

- (1) A description of the degree program, provided nothing in the description shall contradict, mitigate or otherwise explain any of the statistical information described in subsection (a)(2) through (a)(8);
- (2) the average number of years required to obtain the degree from such postsecondary educational institution;
- (3) the aggregate cost and the cost per year incurred by an individual to obtain the degree from such postsecondary educational institution, including tuition, room and board, books and student fees;
- (4) the average amount of time between graduation and full-time employment for an individual who obtains the degree from such postsecondary educational institution;
- (5) a graphical representation of the salary distribution among students who obtain the degree from such postsecondary educational institution and who become employed in the degree field, which shall display a range from negative three standard deviations of the average salary to three standard deviations of the average salary;
- (6) the percentage of graduates who obtain the degree from such postsecondary educational institution and who become employed in the degree field;
- (7) the percentage of graduates who are employed within three months from the date of graduation from such postsecondary educational institution; and
- (8) a chart displaying the number of years required to fully pay off a federal student loan under an income-driven repayment plan in the amount of the aggregate cost incurred by an individual to obtain the degree from such postsecondary educational institution at an annual interest rate set by

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the state board of regents which shall be the maximum federally guaranteed student loan interest rate. Such chart shall show the monthly payment and the number of years to fully pay off the federal student loan that corresponds to the following percentages of average salary for an individual who obtains the degree from such postsecondary educational institution: 10%; 15%; 20%; 25%; and 30%.

The monthly payment amount shall be determined by multiplying the average salary by the corresponding percentage in the chart. The number of years to fully pay off the federal student loan shall be determined according to the following formula:

 $N = (-\log(1 - ((R*A)/P)))/\log(1+R)$ 

where N is the number of payments, R is the interest rate per period, A is the initial federal student loan amount and P is the monthly payment amount, and then divide the number of payments by 12.

The degree prospectus shall be prepared and published in a form that shall be substantially as follows:

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#### [INSERT COLLEGE SYMBOL] [INSERT UNIVERSITY LOGO] PROSPECTUS SAMPLE

# [Type of Degree], [Major]

### Program Description

Insert text Insert text. Insert text Insert text

# Professional Career Examples

- · Insert Example
- Insert Example

# Cost of Degree<sup>1</sup>

Annual Cost

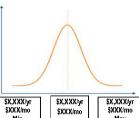
Tuition	\$XXXXX
Room and Board	\$XXXXX
Books	\$XXXXX
Student Fees	\$XXX.XX
Cost Per Year	\$ XXX.XX

Average number of years to graduate

X.XX

Total cost of degree completion	\$ XXX.XX
Days between graduation and employment	ХХ
Percent employed 3 months from graduation:	XX%
Percent employed within field of study:	XX%

# Compensation and Loan Analysis



\$X,XXX/yr	\$X,XXX/yr	\$X,XXX/yr
\$XXX/mo	\$XXX/mo	\$XXX/mo
Min	Average	Max
Loan Payment	ge	

Percent of	Monthly Payment	Number of Years
average salary		required to pay
used as payment		back loan
10%	\$XXX	••
15%	\$XXX	XXX
20%	\$XXX	XXX
25%	\$XXX	XXX
30%	\$XXX	X.X

Note: 60 symbol is used when a monthly payment is insufficient to pay down the loan

Federally guaranteed student loan interest rate ХХ%

<sup>&</sup>lt;sup>1</sup> Data provided within this section are based on the most accurate and to date information collected by the University; numbers in the right column of this prospectus are provided for comparative purposes only

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(b) Each degree prospectus shall be updated by the postsecondary educational institution at least once each year.

- (c) Each postsecondary educational institution may offer each graduate from such institution \$100 as an incentive to the graduate to provide information such institution needs in order to provide an accurate degree prospectus. The incentive payment shall only be paid to those individuals to which such offer is made that fully comply with the process utilized by the institution to collect the information necessary to comply with this section.
- (d) The state board of regents shall adopt rules and regulations necessary to implement the provisions of this section.
  - (e) As used in this section:
- (1) "Postsecondary educational institution" shall have the same meaning as that term is defined in K.S.A. 74-3201b, and amendments thereto.
- (2) "Publish" means to make the degree prospectus readily available on the postsecondary educational institution's website homepage through a link that shall be no less prominent in size and typeface as the most prominent link located on such institution's website homepage, and which shall be titled "Degree Prospectus," to provide an electronic copy of the degree prospectus to each student who inquires about the degree program and to provide a hard copy of the degree prospectus to each student whenever a hard copy of any written materials concerning the degree program are provided.
- Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.