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Shawn Sullivan, Director of the Budget

Sam Brownback, Governor

February 7, 2017

The Honorable Clay Aurand, Chairperson House Committee on Education Statehouse, Room 286-N Topeka, Kansas 66612

Dear Representative Aurand:

SUBJECT: Fiscal Note for HB 2213 by House Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2213 is respectfully submitted to your committee.

HB 2213 would strike the provision in current law which places a June 30, 2017, sunset on the Kansas Board of Regents' ability to establish and charge fees to private and out-of-state postsecondary education institutions that are regulated by the Board.

The Board of Regents indicates the enactment of HB 2213 would allow it to continue receiving annual revenues of approximately \$700,000 from fees paid by private and out-of-state postsecondary institutions. Without the bill's enactment, the Board indicates it would need to either use state funding to pay for state regulatory work done in connection with these institutions, or would no longer be able to adequately regulate the institutions operating in Kansas. The Board indicates there were 155 institutions regulated in 2011, which increased to 221 in FY 2015. In *The FY 2018 Governor's Budget Report*, there are expenditures of \$767,417 in FY 2018 and \$770,896 in FY 2019 from the Private and Out-of-State Postsecondary Educational Institutions Fee Fund to regulate the institutions.

Sincerely,

Shawn Sullivan,

Director of the Budget