

HOUSE BILL No. 2622

AN ACT concerning the state board of regents; relating to degree program transparency; relating to credit hours; relating to postsecondary career technical education performance-based funding; relating to general educational development credential fees; relating to tuition and fees of private and out-of-state postsecondary institutions; amending K.S.A. 2015 Supp. 72-4530, 74-32,163, 74-32,165 and 74-32,181 and repealing the existing sections; also repealing K.S.A. 2015 Supp. 72-4490, 74-32,166 and 74-32,176.

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

New Section 1. (a) The state board of regents shall publish degree prospectus information for each undergraduate degree program offered by each postsecondary educational institution that summarizes information and statistics on such degree program. Upon request, each postsecondary educational institution shall provide any necessary information to the state board of regents.

(b) 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 subsections (b)(2) through (b)(8);

(2) the typical number of years recent graduates have taken to obtain the degree from such postsecondary educational institution;

(3) the expected number of credit hours required to obtain the degree from such postsecondary educational institution;

(4) the expected aggregate cost and 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;

(5) the aggregate degree investment incurred by an individual to obtain the degree from such postsecondary educational institution determined by subtracting the typical amount of grants and scholarships awarded for such degree from the aggregate cost;

(6) the median wage information of recent graduates from such degree program as reported by the state department of labor and any other state where data-sharing agreements governing the reporting of such information may be obtained upon entry into the workforce, and median wages after five years;

(7) the percentage of graduates who are employed in this state or any other state where data-sharing agreements governing the publication of such information may be obtained, within one year from entry into the workforce; and

(8) the number of years required to fully recoup the degree investment and typical loan debt incurred by an individual to obtain the degree from such postsecondary educational institution, at an annual interest rate set by the state board of regents which shall be the maximum federally guaranteed student interest rate showing the number of years necessary to fully recoup the degree investment, the monthly payment amount and percentage of earnings required to repay estimated loan commitments which correspond to the following number of years of repayment: 10, 15, 20, 25 and 30 years. The monthly payment amount shall be determined by dividing the median wage upon entry into the workforce by the corresponding number of years of repayment.

(c) The state board of regents shall:

(1) Make degree prospectus information readily available through a link on the state board of regents' official website; and

(2) update each degree prospectus at least once per year.

(d) Each postsecondary educational institution shall:

(1) Make degree prospectus information readily available through a link on such institution's official website homepage and on any web page dedicated to the promotion of a degree program, which shall be titled by the state board of regents and promoted statewide in a uniform manner at the direction of the state board of regents;

(2) promote degree prospectus information to each student who inquires about the degree program; and

(3) promote degree prospectus information whenever a hard copy of any written materials concerning the degree program are provided.

(e) The state board of regents shall adopt rules and regulations necessary to implement the provisions of this section.

(f) As used in this section:

(1) "Postsecondary educational institution" means:

(A) For school year 2016-2017, any state educational institution and any municipal university; and

(B) for school year 2017-2018 and each school year thereafter, any state educational institution, municipal university, community college, technical college and institute of technology, and includes any entity resulting from the consolidation or affiliation of any two or more of such postsecondary educational institutions.

(2) “State educational institution,” “municipal university,” “community college,” “technical college” and “institute of technology” mean the same as such terms are defined in K.S.A. 74-3201b, and amendments thereto.

New Sec. 2. (a) On or before January 1, 2017, the state board of regents shall adopt a policy requiring state educational institutions to award the appropriate number of credit hours to any student enrolled in such institution who has successfully passed an exam administered through the college level examination program (CLEP) and received a credit-granting recommended score as outlined by the American council on education. Such policy shall include the following:

(1) The number of credit hours to be awarded shall be at least equivalent to the minimum number of credit hours granted for the equivalent course offered by the institution;

(2) an institution shall not limit the number of credit hours that may be awarded to a student beyond the limitations placed on such institution by such institution’s regional accrediting agency;

(3) credit hours awarded for exams in the subject of the student’s major course of study shall apply towards the student’s degree program major course of study, and all other credit hours shall apply towards general degree requirements;

(4) credit hours for exams shall be listed on the student’s transcript as pass/fail;

(5) all exams listed on a student’s transcript shall be included on such transcript if the student transfers to a different postsecondary educational institution, and if the subsequent institution is a state educational institution, then the credit hours for such exams shall be applied in accordance with this section; and

(6) any other provisions related to the awarding of credit hours based on CLEP exam results deemed necessary by the board.

(b) Commencing July 1, 2017, each state educational institution shall award credit hours to enrolled students who have successfully passed a CLEP exam in accordance with the policy adopted by the board pursuant to subsection (a).

(c) As used in this section, the terms “state board of regents” and “state educational institution” shall have the same meaning as those terms are defined in K.S.A. 74-3201b, and amendments thereto.

Sec. 3. K.S.A. 2015 Supp. 72-4490 is hereby amended to read as follows: 72-4490. (a) (1) Any eligible postsecondary educational institution may certify to the board of regents:

(A) The number of individuals who received a general educational development (GED) credential from such institution while enrolled in an eligible career technical education program;

(B) the number of individuals who received a career technical education credential from such institution; and

(C) the number of individuals who were enrolled in an eligible career technical education program at such institution and who are pursuing a general educational development (GED) credential.

(2) Certifications submitted pursuant to this subsection shall be submitted in such form and manner as prescribed by the board of regents, and shall include such other information as required by the board of regents.

(b) Each fiscal year, upon receipt of a certification submitted under subsection (a), the board of regents shall authorize payment to such eligible postsecondary educational institution from the postsecondary education performance-based incentives fund. The amount of any such payment shall be calculated based on the following:

(1) For each individual who has received a general educational development (GED) credential, \$500;

(2) for each individual who has received a career technical education credential, \$1,000; and

(3) for each individual enrolled in an eligible career technical education program who is pursuing a general educational development (GED) credential, \$170.

(c) That portion of any payment from the postsecondary education performance-based incentives fund that is made based on subsection (b)(2) shall be expended for scholarships for individuals enrolled in an eligible career technical education program and operating costs of eligible career technical education programs. Each eligible postsecondary educational institution shall prepare and submit a report to the board of regents which shall include the number of individuals who received scholarships, the aggregate amount of moneys expended for such scholarships and the number of those individuals who received a scholarship that also received a career technical education credential.

(d) (1) Of that portion of any payment from the postsecondary education performance-based incentives fund that is made based on subsection (b)(3), an amount equal to \$150 for each individual shall be expended by the eligible postsecondary educational institution for the general educational development (GED) test.

(2) If any individual enrolled in an eligible career technical education program for which an eligible postsecondary educational institution has received a payment under this section fails to take the general educational development (GED) test, then such institution shall notify the board of regents in writing that no such test was administered to the individual. For each such notification received, the board of regents shall deduct an amount equal to \$150 from such institution's subsequent incentive payment.

(e) All payments authorized by the board of regents pursuant to this section shall be subject to the limits of appropriations made for such purposes. If there are insufficient appropriations for the board of regents to authorize payments in accordance with the amounts set forth in subsection (b), the board of regents shall prorate such amounts in accordance with appropriations made therefor.

(f) There is hereby created the postsecondary education performance-based incentives fund. Expenditures from the postsecondary education performance-based incentives fund shall be for the sole purpose of paying payments to eligible postsecondary educational institutions as authorized by the board of regents. All expenditures from the postsecondary education performance-based incentives fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the president of the board of regents, or the president's designee.

(g) As used in this section:

(1) "Board of regents" means the state board of regents provided for in the constitution of this state and established by K.S.A. 74-3202a, and amendments thereto.

(2) "Career technical education credential" means any industry-recognized technical certification or credential, other than a general educational development (GED) credential, or any technical certification or credential authorized by a state agency.

(3) "Eligible career technical education program" means a program operated by one or more eligible postsecondary educational institutions that is identified by the board of regents as a program that allows an enrollee to obtain a general educational development (GED) credential while pursuing a career technical education credential.

(4) "Eligible postsecondary educational institution" means any community college, technical college or the institute of technology at Washburn university, ~~except such term shall not include Johnson county community college.~~

(5) "State agency" means any state office, department, board, commission, institution, bureau or any other state authority.

Sec 4. K.S.A. 2015 Supp. 72-4530 is hereby amended to read as follows: 72-4530. (a) The state board of regents may adopt rules and regulations relating to the processing and issuance of general educational development (GED) credentials.

(b) Each application to the state board of regents for issuance or

duplication of general educational development credentials or verification of credentials shall be accompanied by a fee which shall be established by the state board of regents and shall be in an amount of not more than ~~\$15~~ \$25. On or before June 1 of each year, the state board of regents shall determine the amount of revenue which will be required to properly administer the provisions of this section during the next ensuing fiscal year, and shall establish the GED credentials processing fee for such year in the amount deemed necessary for such purposes. Such fee shall become effective on the succeeding July 1 of each year. The state board of regents shall remit all moneys received by or for it from GED credentials processing fees to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the GED credentials processing fees fund, which fund is hereby established in the state treasury, and shall be used only for the payment of expenses connected with the processing, issuance or duplication of GED credentials, and for the keeping of records by the state board of regents. All expenditures from the GED credentials processing fees fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the state board of regents or by a person or persons designated by the state board.

Sec. 5. K.S.A. 2015 Supp. 74-32,163 is hereby amended to read as follows: 74-32,163. As used in the Kansas private and out-of-state postsecondary educational institution act:

(a) “Academic degree” means any associate, bachelor’s, professional, master’s, specialist or doctoral degree.

(b) “Accreditation” means an accreditation by an agency recognized by the United States department of education.

(c) “Branch campus” means any subsidiary place of business maintained within the state of Kansas by an institution at a site which is separate from the site of the institution’s principal place of business and at which the institution offers a course or courses of instruction or study identical to the course or courses of instruction or study offered by the institution at its principal place of business.

~~(d) “Commission” means the advisory commission on private and out-of-state postsecondary educational institutions established pursuant to K.S.A. 2015 Supp. 74-32,166, and amendments thereto.~~

~~(e)~~ “Distance education” means any course delivered primarily by use of correspondence study, audio, video or computer technologies.

~~(f)~~(e) “Out-of-state postsecondary educational institution” means a postsecondary educational institution chartered, incorporated or otherwise organized under the laws of any jurisdiction other than the state of Kansas.

~~(g)~~(f) “Institution” means an out-of-state or private postsecondary educational institution.

~~(h)~~(g) “Institution employee” means any person, other than an owner, who directly or indirectly receives compensation from an institution for services rendered.

~~(i)~~(h) “Owner of an institution” means:

(1) In the case of an institution owned by an individual, that individual;

(2) in the case of an institution owned by a partnership, all full, silent and limited partners;

(3) in the case of an institution owned by a corporation, the corporation, its directors, officers and each shareholder owning shares of issued and outstanding stock aggregating at least 10% of the total of the issued and outstanding shares; and

(4) in the case of an institution owned by a limited liability company, the company, its managers and all its members.

~~(j)~~(i) “Person” means an individual, firm, partnership, association or corporation.

~~(k)~~(j) “Physical presence” means:

(1) The employment in Kansas of a Kansas resident for the purpose of administering, coordinating, teaching, training, tutoring, counseling, advising or any other activity on behalf of the institution; or

(2) The delivery of, or the intent to deliver, instruction in Kansas with

the assistance from any entity within the state in delivering the instruction including, but not limited to, a cable television company or a television broadcast station that carries instruction sponsored by the institution.

~~(k)~~ “Private postsecondary educational institution” means an entity which:

(1) Is a business enterprise, whether operated on a profit or not-for-profit basis, which has a physical presence within the state of Kansas or which solicits business within the state of Kansas;

(2) offers a course or courses of instruction or study through classroom contact or by distance education, or both, for the purpose of training or preparing persons for a field of endeavor in a business, trade, technical or industrial occupation or which offers a course or courses leading to an academic degree; and

(3) is not specifically exempted by the provisions of this act.

~~(l)~~ “Representative” means any person employed by an institution to act as an agent, solicitor or broker to procure students or enrollees for the institution.

~~(m)~~ “State board” means the state board of regents or the board’s designee.

~~(n)~~ “Support” or “supported” means the primary source and means by which an institution derives revenue to perpetuate operation of the institution.

~~(o)~~ “University” means a postsecondary educational institution authorized to offer any degree including a bachelor, graduate or professional degree.

~~(p)~~ “State educational institution” means any state educational institution as defined by K.S.A. 76-711, and amendments thereto.

Sec. 6. K.S.A. 2015 Supp. 74-32,165 is hereby amended to read as follows: 74-32,165. (a) The state board may adopt rules and regulations for the administration of this act. ~~Prior to the adoption of any such rules and regulations, the state board shall afford the advisory commission an opportunity to make recommendations thereon.~~

(b) Specific standards shall be set for determining those institutions which qualify for approval to confer or award academic degrees. Such standards shall be consistent with standards applicable to state educational institutions under the control and supervision of the state board.

(c) The state board shall maintain a list of institutions that have been issued a certificate of approval.

(d) Any state agency having information which will enable the state board to exercise its powers and perform its duties in administering the provisions of this act shall furnish such information when requested by the state board.

Sec. 7. K.S.A. 2015 Supp. 74-32,181 is hereby amended to read as follows: 74-32,181.(a) The state board shall fix, charge and collect fees not to exceed the following amounts by adopting rules and regulations for such purposes:

(1) For institutions ~~domiciled or chartered, incorporated or otherwise organized under the laws of Kansas and~~ having their principal place of business within the state of Kansas:

Initial application fees:

Non-degree granting institution \$2,000
Degree granting institution \$3,000

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

Non-degree level \$750
Associate degree level \$1,000
Baccalaureate degree level \$2,000
Master’s degree level \$3,000
Professional or doctoral degree level \$4,000

Renewal application fees:

Non-degree granting institution2% of gross tuition,
but not less than ~~\$800~~ \$500, nor more than \$25,000
Degree granting institution2% of gross tuition,
but not less than ~~\$1,600~~ \$1,000, nor more than \$25,000

New program submission fees, for each new program:

Non-degree program \$250
Associate degree program \$500
Baccalaureate degree program \$750

Master's degree program	\$1,000
Professional or doctoral degree program	\$2,000
Program modification fee, for each program	\$100
Branch campus site fees, for each branch campus site:	
Initial non-degree granting institution	\$1,500
Initial degree granting institution	\$2,500
Renewal branch campus site fees, for each branch campus site:	
Non-degree granting institution	2% of gross tuition, but not less than \$500 \$500, nor more than \$25,000
Degree granting institution	2% of gross tuition, but not less than \$1,600 \$1,000, nor more than \$25,000
On-site branch campus review fee, for each site	\$250
Representative fees:	
Initial registration	\$200
Renewal of registration	\$150
Late submission of renewal of application fee	\$125 \$500
Student transcript copy fee	\$10
Returned check fee	\$50
Changes in institution profile fees:	
Change of institution name	\$100
Change of institution location	\$100
Change of ownership only	\$100
(2) For institutions domiciled or having their principal place of business outside the state of Kansas:	
Initial application fees:	
Non-degree granting institution	\$4,000
Degree granting institution	\$5,500
Initial evaluation fee (in addition to initial application fees):	
Non-degree level	\$1,500
Associate degree level	\$2,000
Baccalaureate degree level	\$3,000
Master's degree level	\$4,000
Professional or doctoral degree level	\$5,000
Renewal application fees:	
Non-degree granting institution	3% of gross tuition, but not less than \$2,400 \$1,000, nor more than \$25,000
Degree granting institution	3% of gross tuition, but not less than \$3,000 \$2,000, nor more than \$25,000
New program submission fees, for each new program:	
Non-degree program	\$500
Associate degree program	\$750
Baccalaureate degree program	\$1,000
Master's degree program	\$1,500
Professional or doctoral degree program	\$2,500
Program modification fee, for each program	\$100
Branch campus site fees, for each branch campus site:	
Initial non-degree granting institution	\$4,000
Initial degree granting institution	\$5,500
Renewal branch campus site fees, for each branch campus site:	
Non-degree granting institution	3% of gross tuition, but not less than \$2,400 \$1,000, nor more than \$25,000
Degree granting institution	3% of gross tuition, but not less than \$3,000 \$2,000, nor more than \$25,000
On site branch campus review fee, for each site	\$500
Representative fees:	
Initial registration	\$350
Renewal of registration	\$250
Late submission of renewal of application fee	\$125 \$500
Student transcript copy fee	\$10
Returned check fee	\$50
Changes in institution profile fees:	
Change of institution name	\$100
Change of institution location	\$100
Change of ownership only	\$100

(b) Fees shall not be refundable.

(c) If there is a change in the ownership of an institution and, if at the same time, there also are changes in the institution's programs of

instruction, location, entrance requirements or other changes, the institution shall be required to submit an application for an initial certificate of approval and shall pay all applicable fees associated with an initial application.

(d) An application for renewal shall be deemed late if the applicant fails to submit a completed application for renewal, ~~or including all required~~ documentation, *information and fees* requested by the state board to complete the renewal process, ~~before the expiration date of the current certificate of approval~~ *at least 60 days prior to the expiration of the institution's certificate of approval.*

(e) The state board shall determine on or before June 1 of each year the amount of revenue which will be required to properly carry out and enforce the provisions of the Kansas private and out-of-state postsecondary educational institution act for the next ensuing fiscal year and shall fix the fees authorized for such year at the sum deemed necessary for such purposes within the limits of this section. ~~Prior to adoption of any such fees, the state board shall afford the advisory commission an opportunity to make recommendations on the proposed fees.~~

(f) Fees may be charged to conduct onsite reviews for degree granting and non-degree granting institutions or to review curriculum in content areas where the state board does not have expertise.

(g) The provisions of this section shall expire on June 30, 2017.

Sec. 8. K.S.A. 2015 Supp. 72-4490, 72-4530, 74-32,163, 74-32,165, 74-32,166, 74-32,176 and 74-32,181 are hereby repealed.

Sec. 9. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the HOUSE, and was adopted by that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.