

# **ECONOMIC IMPACT STATEMENT FOR**

## **K.A.R. 88-28-1 through 88-28-8**

### **1. Summary of proposed regulations, including purposes.**

The overall purpose for the proposed amendments to these regulations are as follows:

**88-28-1:** This regulation provides definitions. The amendments update the term enrollment agreement to include enrollment information because not all institutions use a formal enrollment agreement. This amendment allows the Board of Regents to obtain all relevant enrollment information.

**88-28-2:** This regulation establishes the minimum requirements to receive and maintain a certificate of approval to operate in the state. The amendment to K.A.R. 88-28-2 (a)(5) establishes a minimum 50-year time frame for record retention by institutions, to insure that specific types of important student related records are kept long enough. The amendment also changes the minimum refund policy requirements for institutions, which will be dependent upon how long a student was in the program.

**88-28-3:** The amendments to K.A.R. 88-28-3 (c)(6) clarify that “functional equivalents” to catalogs and enrollment agreements may be provided to the Board, removes language referencing the no longer used ledger sheets, and clarifies what financial information must be provided to the Board by institutions in their first year of operation.

**88-28-4:** The amendment removes self-directing language and language specific to degree-granting institutions, clarifying that the Board of Regents may conduct on-site visits at any approved institution.

**88-28-5:** Changes the registration of representative requirements from each individual representing an institution to require registration by a single designated representative of the institution, in order to limit the number of representatives submitted for approval and responsible for being the main institution contact.

**88-28-6:** The amendments clarify the definitions of in-state and out-of-state by replacing the word “domiciled” with “chartered, incorporated or otherwise organized under the laws of Kansas” and changes language in order to clarify that to be considered an in-state institution, the institution must be both physically located in Kansas and be established in Kansas. The amendment also increases the late fee to encourage compliance and timely renewal application submission.

**88-28-7:** This regulation provides the minimum requirements of enrollment information an institution must provide to a student. Not all institutions use an enrollment agreement, therefore the amendment to K.A.R 88-28-7 replaces the word “agreement” with “information.” This amendment will allow the Board of Regents to collect all relevant enrollment information from institutions.

**88-28-8:** The amendment revokes redundant language concerning fees for copies of student transcripts, which is also contained in another regulation.

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

These regulations and the proposed amendments implement the Board's authority to regulate institutions under the Kansas Private and Out-of-State Postsecondary Educational Institution Act. The regulations are not mandated by federal law, but take into account the statutory changes requested by the Board of Regents and enacted into law within 2016 House Bill 2622. That legislation reduced the renewal fee minimums to align revenue to the Board with the expenses incurred by the agency to regulate the institutions. The legislation also increased the late fee for institutions seeking to renew their Certificate of Approval with the Board from \$100 to \$500 in order to encourage wider compliance with deadlines.

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

The economic impact of these amendments to the Board of Regents office will be a negligible increase in revenues for the Private and Out-of-State Postsecondary Educational Institution program, based solely upon the income from institutions filing late renewal applications.

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

The private and out-of-state postsecondary educational institution sector will pay reduced renewal fees to the Board of Regents for obtaining and maintaining a certificate of approval to operate in the state. Should an institution not submit renewal information in a timely manner, the late fee will be greater than without the statutory change. It is not possible to ascertain whether the fee changes will have any impact on the individuals enrolling in these institutions.

**5. Anticipated economic impact upon private citizens.**

See response to paragraph number 4, above.

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

See response to paragraph number 3, above.