**HOUSE BILL No. 2542**

An ACT concerning postsecondary educational institutions; relating to the Kansas private and out-of-state postsecondary educational institution act; fee schedule; exempting certain postsecondary educational institutions from performance-based budgeting; amending K.S.A. 2017 Supp. 74-32,181 and 75-3718b and repealing the existing sections.

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

Section 1. K.S.A. 2017 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 chartered, incorporated or otherwise organized under the laws of Kansas and having their principal place of business within the state of Kansas:

<table>
<thead>
<tr>
<th>Type of Institution</th>
<th>Application Fees</th>
<th>Evaluation Fee</th>
<th>Renewal Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-degree granting institution</td>
<td>$2,000</td>
<td>$750</td>
<td>$250</td>
</tr>
<tr>
<td>Degree granting institution</td>
<td>$3,000</td>
<td>$1,000</td>
<td>$500</td>
</tr>
<tr>
<td>Non-degree level</td>
<td>$750</td>
<td>$1,000</td>
<td></td>
</tr>
<tr>
<td>Associate degree level</td>
<td>$2,000</td>
<td>$3,000</td>
<td></td>
</tr>
<tr>
<td>Baccalaureate degree level</td>
<td>$3,000</td>
<td>$4,000</td>
<td></td>
</tr>
<tr>
<td>Master’s degree level</td>
<td>$4,000</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Professional or doctoral degree level</td>
<td>$5,000</td>
<td>$6,000</td>
<td></td>
</tr>
<tr>
<td>Initial application fees</td>
<td>$2,000</td>
<td>$750</td>
<td>$250</td>
</tr>
<tr>
<td>Renewal application fees</td>
<td>$3,000</td>
<td>$1,000</td>
<td>$500</td>
</tr>
</tbody>
</table>

(2) For institutions domiciled or having their principal place of business outside the state of Kansas:

<table>
<thead>
<tr>
<th>Type of Institution</th>
<th>Application Fees</th>
<th>Evaluation Fee</th>
<th>Renewal Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-degree granting institution</td>
<td>$4,000</td>
<td>$1,500</td>
<td>$500</td>
</tr>
<tr>
<td>Degree granting institution</td>
<td>$5,500</td>
<td>$2,500</td>
<td>$750</td>
</tr>
<tr>
<td>Non-degree level</td>
<td>$1,500</td>
<td>$2,000</td>
<td></td>
</tr>
<tr>
<td>Associate degree level</td>
<td>$2,000</td>
<td>$3,000</td>
<td></td>
</tr>
<tr>
<td>Baccalaureate degree level</td>
<td>$3,000</td>
<td>$4,000</td>
<td></td>
</tr>
<tr>
<td>Master’s degree level</td>
<td>$4,000</td>
<td>$5,000</td>
<td></td>
</tr>
<tr>
<td>Professional or doctoral degree level</td>
<td>$5,000</td>
<td>$6,000</td>
<td></td>
</tr>
</tbody>
</table>

Renewal application fees:

- Non-degree granting institution: Up to 2% of gross tuition, but not less than $500, nor more than $25,000.
- Degree granting institution: Up to 2% of gross tuition, but not less than $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: $400

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: Up to 2% of gross tuition, but not less than $500, nor more than $25,000.
- Degree granting institution: Up to 2% of gross tuition, but not less than $1,000, nor more than $25,000.

On-site branch campus review fee, for each site: $250

Representative fees:

- Initial registration: $200
- Late submission of renewal of application fee: $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: Up to 3% of gross tuition, but not less than $1,000, nor more than $25,000.
Degree granting institution ........................................ Up to 3% of gross tuition, but not less than $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 .................................. Up to 3% of gross tuition, but not less than $1,000, nor more than $25,000
- Degree granting institution ........................................ Up to 3% of gross tuition, but not less than $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 ......................................... $350
- Late submission of renewal of application fee ............... $500
- Student transcript copy fee ...................................... $10
- Returned check fee .............................................. $50

Change 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 are also 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, including all required documentation, information and fees requested by the state board to complete the renewal process, 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.
(f) Fees may be charged to conduct on-site reviews for degree granting and non-degree granting institutions or to review curriculum in content areas where the state board does not have expertise.

Sec. 2. K.S.A. 2017 Supp. 75-3718b is hereby amended to read as follows: 75-3718b. (a) On or before January 14, 2019, the secretary of administration, in consultation with the division of the budget, the office of revisor of statutes and the Kansas legislative research department, shall implement a budget process that accomplishes the following objectives:
(A) Identification of agency programs and subprograms by objective, function and purpose;
(B) the state or federal statutory citation authorizing those programs, if any;
(C) identification of programs that are mandatory versus discretionary;
(D) a history of the programs, including interaction with other agency programs and objectives;
(E) state matching or other federal financial requirements;
(F) prioritization of the level of all programs and subprograms; and
(G) the consequence of not funding the program or subprogram.
(2) An integrated budget fiscal process, to be complete on or before January 6, 2018. Such process shall institute common accounting procedures consistent with budget development, budget approval, budget submission, through actual expenditures by fund.
(3) A performance based budgeting system, to be completed on or before January 14, 2019. Such budgeting system shall include, but not be limited to, the following:
   (A) Incorporation of various outcome based performance measures, for state programs; and
   (B) enhancement of the capability to compare program effectiveness across multiple state and political boundaries.
(b) The provisions of this section shall not apply to postsecondary educational institutions that have implemented the performance agreement pursuant to K.S.A. 74-3202d, and amendments thereto.

Sec. 3. K.S.A. 2017 Supp. 74-32,181 and 75-3718b are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after June 29, 2018, and its publication in the Kansas register.

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: