

MINUTES OF THE HOUSE HIGHER EDUCATION COMMITTEE

The meeting was called to order by Chairman Tom Sloan at 3:30 p.m. on January 21, 2004 in Room 231-N of the Capitol.

All members were present except:

Representative Eber Phelps - excused  
Representative Roger Reitz - excused  
Representative Valdenia Winn - excused

Committee staff present:

Mary Galligan, Legislative Research  
Debra Hollon, Legislative Research  
Art Griggs, Revisor of Statutes  
Susan Allen, Committee Secretary

Conferees appearing before the committee: Dr. Robert Masters, Interim Vice President of Academic Affairs, Kansas Board of Regents

The minutes of the January 12, 2004 Committee Hearing were noted by the Chairman, and Representative Storm suggested a clarification of her motions.

The Chairman opened the hearings on:

**HB 2493: Foreign institutions of postsecondary education; registration requirements.**

**HB 2494: Out-of-state and private institutions of postsecondary education; certificate of approval.**

Dr. Robert Masters gave testimony. Dr. Masters explained the issues that the two bills were designed to address, and noted that upon review, the Board felt that a broader approach was more logical. He suggested that the Legislature consider legislation that would make oversight of proprietary schools and degree-granting schools part of one law (Attachment 1).

The Chairman appointed a Sub-Committee comprised of Representative Huntington, Chairperson, Representative Neighbor, and Representative Carlin, to study the Board of Regents proposed new language for **HB 2493** and **HB 2494**.

The next meeting is scheduled for Monday, January 26, 2004 at 3:30 p.m. in RM 231-N.



# KANSAS BOARD OF REGENTS

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## Testimony in Support of HB 2493, 2494, and Additional Measures House Higher Education Committee

January 21, 2004

**Dr. Robert Masters**  
**Interim Vice President of Academic Affairs**

Good afternoon Mister Chairman and members of the committee. My name is Robert Masters and I am the Interim Vice President of Academic Affairs for the Kansas Board of Regents. I am here on behalf of the Kansas Board of Regents in support of HB 2493 and HB 2494 and to provide additional insight to better accomplish the goals of these pieces of legislation.

### General Overview

Kansas now has two laws governing private schools, K.S.A. 72-4916 is the Proprietary School Law and K.S.A. 74-3249 is the Private and Foreign Degree-Granting Law. Schools only awarding degrees that are bachelors or above must adhere to the degree-granting law and schools awarding associate degrees must adhere to both degree granting and proprietary school law. The degree granting law applies to all private institutions and those foreign institutions (organized under the laws of any jurisdiction other than this state) conferring degrees in Kansas.

A review of the proprietary law and regulations and the degree-granting law and regulations reveals many similarities between the two laws and some differences. These two separate laws have caused confusion and duplication.

There have been many confusing moments in trying to determine which law to follow and how to be in compliance with both at the same time.

House Higher Education Committee

Meeting Date: 1/21/04

Attachment No. 1

## COMPARISON BETWEEN LAWS

### PROPRIETARY

Originally established under KSBE for programs through the Associates degree  
No Associate Degree Standards

#### Consumer protection

Minimum standards for approval  
Specific injunctions and civil penalties listed  
Law requires annual renewal

Bond has specific purpose of obtaining and maintaining records after school closes

Requires an annual fee

Formal Certificate of Approval described

### DEGREE GRANTING LAW

Originally established under KBOR  
Establishes that board will create rules and regulations  
Standards for approval are in regulation

Law does not contain consumer protection

Law does not require bond  
Bond requirement is in regulation

Law does not require a fee

No formal recognition given

### HB 2493 and HB 2494

Both HB 2493 and HB 2494 were designed to address shortcomings with the present degree-granting law. For example:

House Bill 2493 sets out to repeal the section of law requiring the registration of courses. It is our understanding from legislative staff that 72-3251 was enacted for the purpose of data collection. For many years, staff at the Kansas Board of Regents has performed tasks such as the following: sending out forms, issuing copies of the law and regulations, answering questions by phone and/or e-mail, receiving applications, reviewing applications to see that all questions are answered, calling the institutions if further information is needed, reviewing the number of hours registered to verify that no more than the 30 hours required in regulation are registered per calendar year, and entering data into a database.

In an unscientific survey utilizing a nationwide listserv of state administrators, we did not find a state registering out-of-state courses, and there is no registration of courses for any public degree granting schools. There appears to be no real purpose for keeping these courses listed in a database. It does require a significant amount of staff time to maintain the database, and

for many years the Kansas Board of Regents has absorbed the cost of the registration process and database maintenance through its publicly supplied budget.

House Bill 2494 would grant the Kansas Board of Regents the authority to collect fees from private degree-granting institutions. For many years, the Kansas Board of Regents has born the cost of regulating private degree-granting institutions through its publicly supplied budget. Many states are totally fee funded for private degree granting with fees ranging from \$1000 to \$5100. Examining ways to use state appropriations more effectively, it seems appropriate that Kansas join other states in the country where fees are charged to private institutions applying for degree-granting authority. The proposal for Kansas is that we charge the private and foreign degree-granting schools for the services provided to them just as we charge the proprietary schools.

#### Additional Measure

In the course of review, a broader and more logical plan has emerged. Since KBOR now has oversight of both proprietary schools and degree-granting schools and there is a strong movement in private education throughout the country, it seems an appropriate time to make the oversight of these schools a part of one law. The connection between proprietary schools and degree-granting schools is made in many states under a private postsecondary or non-public postsecondary title. In a recent unscientific nationwide survey, fourteen (14) states responding indicated a single law for all private postsecondary institutions.

In summary, the shortcomings in the private degree-granting law designed to be fixed by HB 2493 and HB 2494 is a good first attempt. However, the broader and more logical approach, combining the proprietary and degree-granting laws, obviates the need for HB 2493 and HB 2494. The Kansas Board of Regents approved the development of draft language to combine the laws at their January Board meeting. Currently, draft language combining K.S.A. 72-4916 and K.S.A. 74-3249 exists.

Thank you for the opportunity to comment. With me today is Dr. Patricia Anderson, Director of Proprietary Schools for the Kansas Board of Regents. Dr. Anderson and I will be happy to answer any questions you may have.