

February 15, 2017

The Honorable Molly Baumgardner, Chairperson
Senate Committee on Education
Statehouse, Room 224-E
Topeka, Kansas 66612

Dear Senator Baumgardner:

SUBJECT: Fiscal Note for SB 166 by Senate Committee on Education

In accordance with KSA 75-3715a, the following fiscal note concerning SB 166 is respectfully submitted to your committee.

SB 166 would exempt Cleveland University-Kansas City from regulation by the Kansas Board of Regents under the Kansas Private and Out-of-State Postsecondary Educational Institution Act.

Estimated State Fiscal Effect				
	FY 2018 SGF	FY 2018 All Funds	FY 2019 SGF	FY 2019 All Funds
Revenue	--	(\$10,060)	--	(\$10,060)
Expenditure	--	--	--	--
FTE Pos.	--	--	--	--

Kansas is part of the State Authorization Reciprocity Agreement (SARA) through the Midwestern Higher Education Compact, which is an agreement among member states, districts and territories that establishes comparable national standards for interstate offerings of postsecondary distance education courses and programs. It is intended to make it easier for students to take online courses offered by postsecondary institutions based in another state. SARA is overseen by a National Council and administered by four regional education compacts.

The Kansas Board of Regents indicates Cleveland University—Kansas City was approved on April 11, 2016 to participate in the State Authorization Reciprocity Agreement for their distance education programs, but the Board currently does not collect fees for these online courses. However, because Cleveland University maintains a physical presence in Kansas,

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Board regulation and approval is required which subjects the University to fees imposed under the Kansas Private and Out-of-State Postsecondary Educational Institution Act. If SB 166 were enacted, the Board estimates it would lose annual revenues of \$10,060 in renewal application fees it expects to collect from the University under existing provisions. Any fiscal effect associated with SB 166 is not reflected in *The FY 2018 Governor's Budget Report*.

Sincerely,

A handwritten signature in black ink, appearing to read "Shawn Sullivan", with a horizontal line extending to the right.

Shawn Sullivan,
Director of the Budget

cc: Kelly Oliver, Board of Regents