SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 1205 **PRINTER'S NO.** 1727

AMOUNT

No Adverse Fiscal Impact General Fund

DATE INTRODUCED PRIME SPONSOR

December 4, 2013 Senator Folmer

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 1205 establishes a new Section 6503.1 (Change of designation to university) in Title 24 (Education) to provide a streamlined process for a college to change its designation to university.

The legislation allows a private nonprofit institution using the designation of college that at a minimum is authorized to confer bachelor's or graduate degrees to use the designation of university, if it submits a notarized affidavit to the Department of Education that states the following: (1) the institution fulfills at least two of three units necessary for an institution to be designated a university; (2) the institution commits to meeting full compliance in five years; (3) the institution has been in continuous operation in the Commonwealth for 10 years and during that time has maintained accreditation by the Middle States Commission or another regional accrediting body recognized by the United States Department of Education; (4) the intended effective date of the change in designation; and (5) the institution's board of trustees has approved the change in designation.

The three units required for a college to change its designation to university are as follows: (1) at least one major in both the in both the arts and sciences at the undergraduate level; (2) advance degree programs in the arts and sciences with at least one major in both the arts and sciences at the undergraduate level; and (3) any combination of at least five advanced degrees or professional programs at the graduate level.

Allows an institution that provides a specialized type of educational program, like a medical college, that does not currently fulfill two of the three units necessary to be a university and cannot meet full compliance within five years to utilize the affidavit process to change its designation if the institution's program would be enhanced by having the designation of university.

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Provides for the institution seeking the change in designation to include any documentation necessary to verify the representations in its affidavit. Provides that the affidavit must be submitted to the department no later than 90 days before the effective date of the change in designation. Provides for the affidavit to be subject to the penalties under 18 Pa.C.S. Section 4904 (relating to unsworn falsification to authorities).

Requires the department to review the affidavit within 90 days. If the affidavit complies with the requirements of this section, the department is required to accept it and publish notice of the change in designation and its effective date in the Pennsylvania Bulletin. If the department fails to complete its review of the affidavit within 60 days, the affidavit is to be deemed accepted. If the affidavit does not comply with the requirements, the department is to return it to the institution and state the basis for the rejection.

Requires an institution that changes its designation through this process to submit a five-year plan to fulfill any requirement needed to comply within 90 days of the change in designation. If an institution fails to complete the plan within period allowed the institution will lose its university status. Provides that the department may extend the time period required to meet the requirements if the institution demonstrates progress towards fulfilling the plan.

The legislation is scheduled to take effect immediately.

FISCAL IMPACT:

The enactment of Senate Bill 1205 will have no adverse impact on Commonwealth funds. The administrative responsibilities required of the Department of Education to review, accept or reject affidavits and publish notice in the Pennsylvania Bulletin are minimal and can be accomplished within its existing operating budget.