

EDUCATION AND WORKFORCE DEVELOPMENT CABINET
Kentucky Commission on Proprietary Education
(Amendment)

791 KAR 1:025. Fees.

RELATES TO: KRS 165A.350(3), 165A.360(1), (2), (9), 165A.380, 165A.420
STATUTORY AUTHORITY: KRS 165A.340(6), (10), 165A.390, 165A.400, 165A.450
NECESSITY, FUNCTION, AND CONFORMITY: KRS 165A.340(6) and (10), 165A.400, and 165A.450 authorize the commission to promulgate administrative regulations to administer and enforce the provisions of KRS Chapter 165A, including establishment of fees and other charges. This administrative regulation establishes the fees for the Kentucky Commission on Proprietary Education.

Section 1. Definitions.

- (1) "Actual cost" means the amount sufficient to reimburse the commission for all travel and expenses incurred, including the expense of contract labor, consultant fees, or other miscellaneous expenses necessitated by a site visit or inspection.
- (2) "Gross revenue" means the total amount of tuition earned by a school less any tuition refunds to the students during the immediate past school year, July 1 through June 30.
- (3) "Transfer of ownership" means any change or transfer in ownership whether or not the change results in a change of control.

Section 2. Initial Licensure Fee and Student Protection Fund Contribution.

- (1) The fee for initial licensure as a school residing in and doing business in Kentucky shall be \$500.
- (2) The initial contribution to the student protection fund for a school residing in and doing business in Kentucky shall be \$500.
- (3) The fee for initial licensure as a school not residing in Kentucky, but doing business in Kentucky, shall be \$1,250.
- (4) The initial contribution to the student protection fund for a school not residing in Kentucky, but doing business in Kentucky, shall be \$1,250.
- (5) At any time the balance in the student protection fund falls below \$500,000, each licensed school shall make an additional contribution to the fund. The amount of the additional contribution shall be determined by the commission pursuant to KRS 165A.450(2)(a) and (b). The commission shall calculate the amount due per school, pursuant to Section 3(1) and (2) of this administrative regulation, and shall use a percentage appropriate to replenish the fund. The additional contribution shall be paid on a quarterly basis until the fund is replenished.
- (6) For initial and annual renewal license application fees for resident and non-resident commercial driver license training schools refer to 791 KAR 1:050; 791 KAR 1:060; and, 791 KAR 1:070.

Section 3. Annual Renewal License Fee for Schools.

- (1)
 - (a) Except as provided in paragraph (b) of this subsection, the annual renewal license fee for a school residing in and doing business in Kentucky shall be \$500.
 - (b) If the school's gross revenue exceeds \$50,000, the annual renewal license fee for a school residing in and doing business in Kentucky shall be \$500 plus twenty-five (25) dollars for each additional \$10,000 of gross revenue in excess of \$50,000, not to exceed \$3,000.
- (2)

(a) Except as provided in paragraph (b) of this subsection, the annual renewal license fee for a school not residing in Kentucky, but doing business in Kentucky, shall be \$1,250.

(b) If the school's gross revenue exceeds \$50,000, the annual license fee for a school not residing in Kentucky, but doing business in Kentucky, shall be \$1,250 plus twenty-five (25) dollars for each additional \$10,000 of gross revenue for Kentucky residents in excess of \$50,000, not to exceed \$3,000.

(3) Late fees for a resident or nonresident school's annual renewal license shall be:

(a) Ten (10) percent of the total application fee if received after the due date, May 15, up to and including the fifth business day;

(b) Twenty (20) percent of the total application fee if received after the fifth business day, up to and including the tenth business day;

(c) Thirty (30) percent of the total application fee if received after the tenth business day, up to and including the fifteenth business day;

(d) Forty (40) percent of the total application fee if received after the fifteenth business day, up to and including the twentieth business day;

(e) Fifty (50) percent of the total application fee if received after the twentieth business day, up to and including the twenty-fifth business day;

(f) Seventy-five (75) percent of the total application fee if received after the twenty-fifth business day, up to and including the thirtieth business day; and

(g) 100 percent of the total application fee if received after the thirtieth business day.

Section 4. Annual Permit Fees for Agents. The annual permit fee for each agent working for a school licensed by the commission shall be \$175.

Section 5. Transfer of Ownership of a School. The fee for recording a transfer of ownership of a school licensed by the commission shall be \$500.

Section 6. Change of Name of a School. The fee for approval of a change of name of a school shall be \$150.

Section 7. Change of location of a school. The fee for approval of a change of location of a school shall be \$500.

Section 8. Application to Award an Associate Degree. The fee for an application to award an associate degree shall be \$750 per degree.

Section 9. New Program. The fee to apply for a new certificate or diploma program shall be \$200.

Section 10. Program Revisions.

(1) The fee to apply for approval to revise twenty-five (25) percent or more of any existing program shall be \$200.

(2) The fee to apply for approval to revise less than twenty-five (25) percent of any program shall be \$100.

Section 11. Transcript Requests from a Closed School. The fee for requesting a transcript from a closed school shall be five (5) dollars.

Section 12. Cost of site visits.

(1) Costs connected with a site visit conducted in accordance with KRS 165A.370(1) and (2), such as travel, meals, lodging, and consultant honoraria, shall be paid by the school.

(2) The estimated cost of the site visit shall be paid by the school prior to the site visit.

(3) The final settlement regarding actual expenses incurred shall be paid by the school no later than thirty (30) days after receipt of the invoice.

(4) Failure to pay these costs shall be grounds for:

(a) Denial of a license; or

- (b) Suspension or revocation of an existing license.
(5) This section shall not apply to visits conducted in accordance with KRS 165A.475(3) and (4).

Section 13. Proration or Refund of Fees and Contributions. A fee paid to the commission or contribution to the student protection fund shall not be prorated or refunded.

Section 14. Penalties. A school shall have a license suspended or revoked, be directed to take specific corrective actions, or submit to additional inspections, with and without notice for failure to pay fees or contribute to the student protection fund in accordance with this administrative regulation.

MISTY N. EDWARDS, Executive Director
For DAVID W. FLOYD, Chair

APPROVED BY AGENCY: August 4, 2021

FILED WITH LRC: August 4, 2021 at 11:10 a.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on October 25, 2021, at 1:00 p.m. Eastern Time, at the Mayo-Underwood Building Hearing Room, 500 Mero Street, 1st Floor, Frankfort, KY. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 p.m. on October 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

CONTACT PERSON: Misty Edwards, Executive Director, Kentucky Commission on Proprietary Education, 500 Mero Street, 4th Floor, Frankfort, Kentucky 40601-1957, phone 502-564-4185, email kcpe@ky.gov.