

Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Vincent C. Gray  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** October 20, 2010

**SUBJECT:** Fiscal Impact Statement – “Postsecondary Degree Granting Educational Institutions Licensure Regulation Approval Resolution of 2010”

**REFERENCE:** No Bill Number – Draft Resolution to be Introduced

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**Conclusion**

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed resolution. The proposed resolution would result in a positive fiscal impact of \$70,000 to the FY 2011 budget and \$220,000 in the four-year financial plan period. These funds would be deposited into Education Licensure Commission Site Evaluation Fund.

**Background**

The proposed resolution would approve the proposed rules which establish a new licensing fee schedule, update degree granting standards and reporting criteria, and revise licensing requirements for postsecondary degree granting educational institutions located or operating within the District.<sup>1</sup>

Specifically, the rules that would be approved by proposed resolution would:

- list the standards for licensure in detailed categories,
- clarify application process for provisional licenses,
- establish expiration timelines and standards for conditional exemptions,
- specify prohibited activities and representations,
- specify permissible legends,

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<sup>1</sup> By amending Chapter 80 (Postsecondary Degree Granting Educational Institutions) of Title 5-A (Office of the State Superintendent of Education) of the District of Columbia Municipal Regulations. These rules have been adopted by the Office of the State Superintendent of Education (OSSE) and the Education Licensure Commission.

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- specify surety requirement conditions and waivers,
- set up time limits for application for provisional license renewals prior to their expiration,
- specify reinstatement conditions,
- specify application for conversion of a provisional license to permanent license ,
- detail standards for agent licenses under separate rule headings,
- provide specific rules about false degrees,
- detail notice and hearing rules and
- establish new fees and increase the associated fees as follows:

	<b>Current Fee</b>	<b>Proposed Fee</b>
New applicant workshop	N/A	\$200
Application for licensure	\$250	\$5,000
Application for renewal of a provisional license	\$250	\$2,500
Application for an agent's license (per person)	\$250	\$1,000
Application for conditional exemption from licensure	N/A	\$1,500
Application to convert a provisional license to a permanent license	\$250	\$1,500
Application for reinstatement of a license	N/A	\$3,500
<b>Amendments to a current license:</b>		
for each new program of study or change of an existing program of study	\$25	\$300
for each new facility where educational instruction is to be offered	\$25	\$200
for a change of name of the institution	\$25	\$150
for a change of ownership	\$25	\$500
<b>Fee based upon the total number of the institution's full time students or their equivalents (paid by licensed educational institutions and educational institutions exempt from licensure)</b>		
1 to 100 full-time students or their equivalents	\$25	\$150
101 to 250 full-time students or their equivalents	\$50	\$250
251 to 500 full-time students or their equivalents	\$100	\$350
501 to 1,000 full-time students or their equivalents	\$250	\$350
1,001 to 1,500 full-time students or their equivalents	\$500	\$650
1,501 or more full-time students or their equivalents	\$500	\$1,000
Application received after the license expiration date	N/A	\$500
Site evaluation for a licensed institution	N/A	\$800 <sup>2</sup>
Student transcript (each)	N/A	\$10
Per page of other documents in the student record that are furnished by the Commission	N/A	\$5
Duplicate license (each)	N/A	\$35

Notes: <sup>1</sup> N/A is for not applicable.

<sup>2</sup> In the discretion of the Commission may be increased by a reasonable amount based upon the time and complexity of the evaluation.

### **Financial Plan Impact**

The proposed changes in the fee structure are expected to increase revenues by \$70,000 in FY 2011. Estimated additional revenue from fee increases will be at a minimum of \$50,000 per year in

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the out years of the budget and planning period. These fees will be deposited in a non lapsing special fund, Education Licensure Commission Site Evaluation Fund.<sup>2</sup> Thus, the proposed resolution would result in a positive fiscal impact of \$70,000 on FY 2011 budget and \$220,000 in the four-year financial plan period.

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<sup>2</sup> A segregated account within the General Fund of the District of Columbia, and administered by OSSE. Authority for the fund is provided by D.C. Official Code Section 38-2607 and Section 38-1306(e).