



INDIANA COMMISSION *for* HIGHER EDUCATION

March 28, 2025

SENT VIA EMAIL ONLY: Ombudsman@iedc.IN.gov

Re: Economic Impact Statement
LSA Document #25-2
IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses
Proposed Rule 571 IAC

Aidan Battista
Manager, Entrepreneurial Ecosystem
Indiana Economic Development Corporation

Dear Mr. Battista:

**Economic Impact Statement
LSA Document #25-2
IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**

The proposed rule will not impose additional requirements or costs on small businesses under IC 4-22-2.1. This rule is simply a codification of authorization and renewal fees already implemented since May 2022. Because the requirements of this rule will apply only to institutions authorized by the Board for Proprietary Education, only institutions seeking BPE authorization will be impacted. The vast majority of post-secondary educational institutions are exempt from BPE authorization. Examples of post-secondary institutions not subject to the proposed rule include public educational institutions, institutions offering instruction of a religious nature, and 29 independent (or private) nonprofit institutions named in the Indiana Code. This rule will simply apply to existing BPE-authorized institutions and the few institutions that will seek and obtain BPE authorization in the future.

Background Information and Description of the Rule

Prior to doing business in Indiana, a postsecondary credit-bearing proprietary educational institution (institution) is required to obtain authorization from the Indiana Board for Proprietary Education (Board). Pursuant to [IC 21-18-6-3](#), an application for authorization must include a fee of at least one hundred (\$100) dollars for processing the application and evaluating the institution. Currently, the mandatory application for authorization fee is two thousand and five hundred dollars (\$2,500), regardless of physical presence in Indiana, plus three hundred dollars (\$300) per program for initial authorization from an institution with a physical presence or plus twenty-five dollars (\$25) per program for initial authorization from an institution with no physical presence. Further, an institution can annually renew its authorization by continuing to meet the requirements of [IC 21-18.5-6](#) and submitting a fee of at least twenty-five dollars (\$25) pursuant to [IC 21-19.5-6-12\(f\)](#). Currently, the mandatory annual renewal fee is one thousand dollars (\$1,000), regardless of physical presence in Indiana plus twenty-five dollars (\$25) per program for renewal institutional authorization, regardless of physical presence in Indiana.

The statutory requirement to submit an authorization fee predates the creation of the Board in 2012. The Commission on Proprietary Education (COPE) oversaw the authorization of institutions prior to 2012. The fees were established with the creation of the Indiana Commission on Proprietary Education in 1971. The fees were raised by the Commissioners of the COPE in 2011. House Enrolled Act 1270 (2012) simultaneously abolished COPE and established the Board. Through recodification, the Board inherited COPE's mandatory application and annual review fees and their corresponding fee minimum dollar amounts.

In March 2022, the Board memorialized the current fee schedule through board action with an effective date of May 2022. However, the statutorily required fee structure has not been adopted through formal rulemaking and, consequently, is absent from the Indiana Administrative Code. Continued compliance with the aforementioned statutes and the continuance of current administrative operations necessitate the Board exercise its formal rulemaking authority under [IC 21-18.5-6-27](#) to incorporate a fee structure into the Indiana Administrative Code pursuant to [IC 4-22-2-19.6](#).

Conclusion

Promulgation of the Proposed Rule 571 IAC will not have a general economic impact on any businesses, small or otherwise, because it affects only a narrow subset of postsecondary entities: Board-authorized institutions. Moreover, for those institutions, it simply codifies a long-standing fee schedule in terms of types and their current dollar amounts, respectively.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Miller".

ROSS MILLER

Director of State Authorization and Reciprocity

RM/