

# Presentation of State Updates

NASASPS Annual Conference April 2019

Colorado  
Department of  
Higher  
Education

Heather DeLange

- Assessing a state application fee to participate in SARA. This will likely go through sometime this year.
- The Colorado Commission on Higher Education has requested staff to look at the process for initial authorization. Changes are expected.
- Discussing the process for schools that have announced closure, are on the brink of closure, etc.

# Colorado Division of Private Occupational Schools

Lorna Candler



- Legislative bills seeking specialized exemptions
  - One bill seeking exemption of CE for massage therapy (which we opposed because the legislation created a host of unintended consequences and we are trying to manage this matter through rule making and policy)
  - One bill seeking exemption for fly fishing guiding schools (which we are not opposing because another state regulatory body already provides protections measures and oversight of that training.
- Electronic financial form
- The Division is gaining support from other Agencies to capture student level data as we are working towards leveraging into an already existing data base in our Department that will connect our schools, programs and students with longitudinal data tied to the Colorado workforce.
- Due to last years statutory change that expanded permissible uses of the bond, the Division is now able to use bond funds for administrative costs provided there are funds remaining after student refunds and train outs have been administered.

# Florida Commission for Independent Education

Rhesa Rudolph



- Private postsecondary institutions-Florida Commission for Independent Education (CIE)
  - Includes up to 1,000 degree and non-degree granting institutions CIE Licensure Process
- Regular licensure –provisional licensure for one year followed by annual licensure
  - Institution must meet 12 standards and comply with fair consumer practices to become licensed
- Licensure by Means of Accreditation (LBMA)
  - Allows an institution to comply with its accreditor's standards, rather than the Commission's. The accrediting agency must:
    - Be recognized by U.S. DOE
    - Be evaluated by CIE and found to have standards that meet or exceed the Commission's o Condition of LBMA status -willingness by the accrediting agency to share information with CIE in a timely manner
    - CIE experiencing difficulty with getting information from the accrediting agencies
    - CIE authorized to periodically review the status of accrediting agencies recognized for LBMA purposes
    - CIE asking for updated information and evaluating the extent to which accrediting agencies are willing to share information SARA Update
- Approximately 80 institutions have joined SARA in Florida

# Georgia Nonpublic Postsecondary Education Commission

Kirk Shook



- Schedule of Fines
  - Our agency was recently notified by the Attorney General of the need to establish a Schedule of Fines to apply in cases of noncompliance.
  - Our law stipulates the agency has the authority to fine up to \$1000 per day, per infraction, but the new Schedule of Fines is more specific and outlines the specific acts of noncompliance that trigger fines.
    - Examples of these acts are failure to cease operation without authorization or exemption approval; failure to surrender student records following a closure; and use of college or university without permission.
- Financial Assessment of Exempt Institutions
  - Last year we identified an aspect of our code section that required an assessment of the financial statements provided by particular categories of exempt institutions, including those historic nonprofits private colleges.
  - In response, and with approval of our Commission, we introduced new policies and procedures.
  - While set for full implementation this summer, we've already had to navigate some concerns of overreach and fears that exemptions might be revoked. These have been countered with meetings with lobbyists and one-on-one conversations with institutions.
- Proposed Faculty Verification
  - Our agency is exploring the introduction of procedure to verify faculty employment. This follows the uncovering of a diploma mill that misrepresented real people, including their resumes and transcripts, as faculty and administration of the institution. We are currently examining our options to incorporate this task into our staff's annual reviews, intern program, or administrative staff responsibilities.

# Kentucky Commission on Proprietary Education

Misty Edwards



- Summary of HB 181:
  - amend KRS 165A.310 to expand the definition of "proprietary schools" to include not-for-profit proprietary schools;
  - amend KRS 165A.320 to include not-for-profit proprietary schools;
  - amend KRS 165A.340 to eliminate the requirement that members of the Kentucky Commission on Proprietary Education be from for-profit proprietary schools;
  - amend KRS 165A.350 to include other collateral in the requirements for an agent's bond; and
  - amend KRS 165A.360 to conform and to allow other collateral in the requirement for the school's surety bond.

# Kentucky Council on Postsecondary Education

Sarah Levy



- HB 181 was signed by the Governor on March 26, 2019, and will be effective the end of June.
- Expands the definition of "proprietary schools" to include not-for-profit schools offering only below the bachelor's degree level. Accordingly, that means:
  - The Kentucky Commission on Proprietary Education will license for-profit and non-profit institutions that offer programs below the bachelor's degree level, and
  - The Kentucky Council on Postsecondary Education will license for-profit and non-profit institutions that offer programs at the bachelor's degree level and above, and also out-of-state public institutions that operate in Kentucky with course(s)/program(s) for college credit.
- Until the law's effective date at the end of June, the Kentucky Council on Postsecondary Education will continue to license non-profit institutions with course(s)/program(s) for college credit below the bachelor's degree level.

Minnesota  
Office of  
Higher  
Education

Betsy Talbot

- Seeking changes to Minnesota law:
  - Clarify that student complaint files are non-public
  - School closures to codify the information the office requests including student information and academic information



# Mississippi Commission on Proprietary Schools

Kim Verneuille



- Updated statute regarding the approved uses for the bonds
  - Allows CPSCR to make a claim on the bond to collect part of the surety bond for administrative costs to include securing and maintaining school records and student transcripts along with investigations into the closure of the schools.
- Updating regulations - adding a new calculation for bonds amounts based on their reported gross annual tuition.
  - The calculation has yet to be approved by the Commissioners, but expect a FY2020 start.
- Launched an online registration system with Edvera this year.

# Missouri Department of Higher Education

Leroy Wade

- Last year, the Missouri legislature passed a provision that requires any school, other than a religious institution, that is not regionally accredited to include a statement in its catalog about transfer of credit limitations. While most schools already had such a statement, this provision required specific language and a specific size font. The statute has no enforcement provisions and, since the requirement is not in the oversight statute, we have no authority to enforce it.
- While not a statutory change, the Missouri Governor has implemented a reorganization of state government that will merge the Department of Higher Education, the Division of Workforce Development (which is currently in the Department of Economic Development) and the Missouri Economic and Research Information Center into a single agency. At this point, we do not know what the new agency will look like or the full impact of the change but it does offer some opportunities for increasing our ability to reach adult students with postsecondary education information.

New  
Hampshire  
Department of  
Education

Shireen  
Meskoob

- Passed new legislation:
  - significantly alters requirements for enrollment agreements, student lists, financial reports, public disclosure, instructor forms, liability insurance and DoE-determined refund/withdrawal policy.
- Fees were also lowered for initial/renewal applications and school closures.
- License period has been extended from 1 to 2 years
- Student protection has been expanded via a surety indemnification clause.
- New Hampshire has provided NASASPS with a presentation that goes into greater detail on each of these items and would be happy to share it upon request.

Oregon Higher  
Education  
Coordinating  
Commission

Sean Pollack

- Reduced Cosmetology Minimum Instruction Hours
  - Hair design was reduced to 1,110 minimum hours from 1,450 hours
  - Barbering is now 746 minimum hours from 1,100 hours

# Pennsylvania Department of Education

Patricia Landis



- SARA regulations to reduce state fees to institutions are still in the promulgation process. The original fees sunset on June 30, 2017, so we are currently not charging fees for SARA.
- A complete revision of our regulations over non-degree granting institutions is being promulgated. This would establish outcomes benchmarks for schools, create a central records repository, and adjust fees. It is likely to take at least 2 years to promulgate the changes.
- Legislation has been introduced to require the Board to establish a central records repository because of the number of student records that have been lost in recent closures.
- Legislation has been introduced to change the definition of a branch campus.
- A school that will prepare for careers in the cannabis industry has expressed an interest in starting in PA. This would be the first in the state. PA has legalized medical marijuana.
- Human trafficking and massage schools remains a serious concern in PA.
- We are seeing an increase in mergers among degree-granting institutions that may reflect additional pressures on the traditional colleges.
- Most of PA's for-profit colleges have transitioned or are in the process of transitioning to not-for-profit. Recent experience with Art Institute confirms the validity of questions and concerns about not-for-profit providers following many of the practices associated with for-profits.

Rhode Island  
Office of the  
Postsecondary  
Commissioner

Deanna Velletri

- Revising its Regulations Governing Proprietary Schools in Rhode Island

## South Carolina Commission on Higher Education

Lane Goodwin

- Introducing a permanent regulation change to allow for exceptions to the requirement that 25% of credits be completed at the institution awarding the credential.
- We are proposing increases to our fees
- Primary contact for SARA has changed to Ms. Peggy Simons

# Tennessee Higher Education Commission

Julie Woodruff

- Evaluating the make-up of our regulated sector and will adjust the office's work to align priorities and resources.
- Below are some relevant statistics. Note the numbers are preliminary at this time.
  - In December 2017, DPSA authorized 288 institutions by location enrolling approximately 52,000 students in the 2016-2017 reporting period. In the next 12 months ending December 2018, there was a net loss of 15 institutions and 3,000 students - a 5.2% drop in the number of regulated institutions and a 5.7% drop in the number of students enrolled by the regulated sector.
  - As of March 28, 2019, DPSA's database listed 39 institutions as either closed in 2019 or closure in process. This should be evaluated along with the fact that only 5 institutions were approved in January 2019 and only 2 institutions are likely to be approved in April 2019. All 7 of the new 2019 institutions are small, unaccredited "mom & pop" institutions. The 32 institution net drop is 12% of the December 2018 count and when added to the loss from 2017 to 2018 is a 16% net drop from December 2017.
  - 63% percent of the closures since January 2017 were accredited institutions.
  - Of the 45 institutions authorized since January 2017, 62% are unaccredited and only 38% are accredited. In December 2017, the unaccredited institutions accounted for only 42% of the regulated sector.



## Texas Higher Education Coordinating Board

Cam Maeyaert

- Possible Changes - (currently in middle of Texas legislative session):
  - Expanded authority and ability to charge fees for Certificates of Authorization
  - Multiple bills regarding transcripts (reporting of notations; inability to hold for financial obligations)
  - SARA status

## State Council of Higher Education for Virginia

Sylvia  
Rosa-Casanova

- A bill was introduced in the state senate to carve out another exemption from certification. The bill was passed and becomes law on July 1st. It will grant entities that provide "tutorial instruction to prepare an individual for an examination to demonstrate proficiency or to maintain proficiency in an occupational field."
- We are in the final stages of phase one for a new database-portal-website that will overhaul all the procedures the private post secondary education division currently uses.
- After the latest school closures this year, we are considering proposing legislation for the 2020 session to create a student protection fund. We previously proposed this legislation but it did not pass.

# Washington Student Achievement Council

Sam Loftin



- Staff changes. The Washington Student Achievement Council (WSAC) is excited to announce that we added a new position to our Degree Authorization team in 2018. Kelly Olson joined our team in October and provides much-needed support in all areas related to degree authorization, including review of applications and requests for authorization; communications with authorized institutions; and outreach with students and members of the public. She's already provided extremely valuable contributions and we are thrilled to have her on our team!
- Rules changes. WSAC completed a rule-making process in February 2019 to implement legislation from last year's legislative session. The new rules require that publications relating to authorized institutions be accurate and verifiable; prohibits schools from offering student loan products that benefit the school, absent specified circumstances; and amends the fee structure based on the number of authorized programs offered.
- Student complaint portal. WSAC has contracted to provide a student complaint portal for complaints related to authorized institutions. The complaint portal will be shared by 2 other agencies in Washington State that regulate postsecondary institutions – the Workforce Training and Education Coordinating Board and the Department of Licensing. The student complaint portal will provide an easily accessible tool for students and increased functionality for agencies.