

## CHAPTER 261B

### REGISTRATION OF POSTSECONDARY SCHOOLS

Referred to in [§256.177](#), [256.181](#), [261G.4](#), [714.18](#), [714.21A](#)

See also [§714.17 – 714.25](#)

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#### 261B.1 Policy.

The general assembly finds that the availability of courses and programs leading to educational degrees and the existence of institutions of postsecondary education that offer courses and programs leading to educational degrees are in the best interest of the state. The general assembly has found that the state can provide protection for persons choosing institutions and programs by ensuring that accurate and complete information about institutions and programs is available to these persons and to the public.

[84 Acts, ch 1098, §1](#)

#### 261B.2 Definitions.

As used in [this chapter](#), unless the context otherwise requires:

1. “*Commission*” means the college student aid commission created pursuant to [section 256.176](#).

2. “*Course of instruction*” means a postsecondary educational program that a school offers through in-person instruction, distance delivery, correspondence study methods, or any combination thereof.

3. “*Degree*” means a postsecondary credential conferring on the recipient the title of associate, bachelor, master, or doctor, or an equivalent title, signifying educational attainment based on study which may be supplemented by experience or achievement testing. A postsecondary degree under [this chapter](#) shall not include an honorary degree or other unearned degree.

4. “*Presence*” means a location in Iowa at which a student participates in any structured activity related to a school’s distance education course of instruction, with the exception of proctored examinations. “*Presence*” also means an address, location, telephone number, or internet protocol address in Iowa from which a school conducts any aspect of its operations. For the purpose of a residential course of instruction offered on a school’s campus that is not located in Iowa, “*presence*” does not include:

a. Occasional, short-term activities conducted at a location in Iowa for the purpose of recruiting students for the school’s residential course of instruction.

b. A residency, practicum, internship, clinical, or similar experience that the school permits the student to participate in at a location in Iowa, provided that a person who provides instruction or supervision at the Iowa location is not compensated by the school.

5. “*School*” means an agency of the state or political subdivision of the state, individual, partnership, company, firm, society, trust, association, corporation, or any combination which meets any of the following criteria:

a. Is, owns, or operates a postsecondary educational institution.

b. Provides a postsecondary course of instruction leading to a degree.

c. Uses in its name the term “*college*”, “*academy*”, “*institute*”, or “*university*” or a similar

term to imply that the person is primarily engaged in the education of students at the postsecondary level, and charges for its services.

6. “*Student*” means a person who enrolls in or seeks to enroll in a course of instruction offered or conducted by a school.

84 Acts, ch 1098, §2; 96 Acts, ch 1158, §5, 6; 2009 Acts, ch 12, §3, 4; 2012 Acts, ch 1077, §1; 2013 Acts, ch 30, §60

Section not amended; internal reference change applied

### 261B.3 Registration.

1. Except as provided in [section 261B.11](#), a school shall register with the commission if a person compensated by the school conducts any portion of a course of instruction in this state or if the school otherwise has a presence in this state.

a. Registrations shall be renewed every two years and shall be amended upon any substantive change in location, program offering, or accreditation. A school makes a substantive change in a program offering when the school proposes to offer or modify a program that requires the approval of the state board of education or any other state agency authorized to approve the school or its program in this state.

b. Registration shall be made on application forms approved and made available by the commission and at the time and in the manner prescribed by the commission.

2. The commission may require a school to provide additional information the commission deems necessary to evaluate a school’s suitability for registration.

3. The commission shall notify a school in writing of its decision to grant or deny registration and any stipulation associated with the school’s registration.

4. If a school fails to meet any of the registration criteria, or if the commission believes that false, misleading, or incomplete information has been submitted in connection with an application for registration, the commission may deny registration. The commission shall conduct a hearing on the denial if a hearing is requested by a school. Upon a finding after the hearing that the school fails to meet any of the registration criteria, or that information contained in the registration application is false, misleading, or incomplete, the commission shall deny registration. The commission shall make the final decision on each registration. However, the decision of the commission is subject to judicial review in accordance with [section 17A.19](#).

5. The commission shall adopt rules under [chapter 17A](#) for the implementation of [this chapter](#).

84 Acts, ch 1098, §3; 96 Acts, ch 1158, §7; 2004 Acts, ch 1145, §4, 5; 2009 Acts, ch 12, §5; 2012 Acts, ch 1077, §2

Referred to in [§261B.5](#), [261B.6](#)

### 261B.3A Requirements — provisional registration.

1. In order to register, a school shall be accredited by an agency or organization approved or recognized by the United States department of education or a successor agency, be approved by any other state agency authorized to approve the school in this state, and, subsequently, be approved for operation by the commission.

2. A practitioner preparation program, as defined in [section 256.145](#), operated by a school that applies to register the program in accordance with [this chapter](#) shall, in order to register, be accredited by an agency or organization approved or recognized by the United States department of education or a successor agency, be approved by the state board of education pursuant to [section 256.7, subsection 3](#), and, subsequently, be approved for operation by the commission.

3. The commission may grant a provisional registration to a school that is not accredited by an agency or organization that is recognized by the United States department of education or its successor agency. The commission shall determine the duration of the provisional registration. During the provisional registration period, the school shall, at six-month intervals, submit to the commission documentation of its progress toward achieving accreditation. The commission may renew the school’s provisional registration at

its discretion if the documentation submitted indicates that the school is making progress toward accreditation.

4. Nothing in [this chapter](#) shall be construed to exempt a school from the requirements of [chapter 490](#), [491](#), or [714](#).

[96 Acts, ch 1158, §8](#); [97 Acts, ch 13, §1](#); [2000 Acts, ch 1095, §17](#); [2004 Acts, ch 1145, §6](#); [2009 Acts, ch 12, §6](#); [2012 Acts, ch 1077, §3](#)

Referred to in [§256.177](#)

Section not amended; internal reference change applied

#### **261B.4 Registration information.**

As a basis for registration, schools shall provide the commission with the following information:

1. The name or title of the school.
2. As applicable, the principal location of the school in this state, in other states, and in foreign countries, and the location of the place or places in this state, in other states, and in foreign countries where instruction is likely to be given.
3. A schedule of the total tuition charges, fees, and other costs payable to the school by a student during the course of instruction.
4. The refund policy of the school for the return of refundable portions of tuition, fees, or other charges. The tuition refund policy for Iowa resident students of a for-profit school that offers a course of instruction leading to a recognized educational credential, such as an academic or professional degree, diploma, or license, must comply with [section 714.23](#).
5. The names and addresses of the principal owners of the school or the officers and members of the legal governing body of the school.
6. The name and address of the chief executive officer of the school.
7. A copy of or a description of the means by which the school intends to comply with [section 261B.9](#).
8. The name of the accrediting agency recognized by the United States department of education or a successor agency which has accredited the school, the status under which accreditation is held, the name of any other accrediting or licensing entity that has accredited or licensed the school or its programs, a copy of the accrediting or licensure notice issued by the entity, and a record of any sanctions the entity has levied against the school.
9. The name, address, and telephone number of a contact person in this state. A school that applies for registration to offer a course of instruction by distance delivery may provide the name and address of its registered agent in Iowa.
10. The names or titles and a description of the courses and degrees to be offered in Iowa.
11. A description of procedures for the preservation of student records and the contact information to be used by students and graduates who seek to obtain transcript information.
12. The academic and instructional methodologies and delivery systems to be used by the school and the extent to which the school anticipates each methodology and delivery system will be used, including but not limited to classroom instruction, correspondence, distance delivery, independent study, and portfolio experience evaluation.
13. The name, title, business address, telephone number, and resume of an Iowa resident compensated by the school to perform duties at a location in Iowa. A school that applies for registration to offer a course of instruction by distance delivery may provide an internet address as the business address for an Iowa resident it compensates to perform duties remotely from a location in Iowa.
14. The school's official Stafford loan cohort default rate as calculated by the United States department of education for the three most recent federal fiscal years, if applicable.
15. Average student loan debt upon graduation of students completing programs at the school.
16. The graduation rate of undergraduate students as reported to the United States department of education.

17. Evidence that the school meets the conditions of financial responsibility established in [section 714.18](#), or that the school qualifies for an exemption under [section 714.18](#) or [714.19](#). [84 Acts, ch 1098, §4](#); [96 Acts, ch 1158, §9, 10](#); [2000 Acts, ch 1095, §18](#); [2009 Acts, ch 12, §7](#); [2012 Acts, ch 1077, §4](#); [2013 Acts, ch 90, §65](#); [2015 Acts, ch 140, §48, 53, 54](#); [2022 Acts, ch 1012, §1](#)

Referred to in [§261B.5](#), [261B.6](#)

#### **261B.5 Changes.**

If any information provided to the commission under [section 261B.3](#) or [261B.4](#) changes, the school shall inform the commission within ninety days of the effective date of the change in the format specified by the commission.

[84 Acts, ch 1098, §5](#); [2009 Acts, ch 12, §8](#)

#### **261B.6 List of schools.**

The commission shall maintain a list of registered schools and the list and the information submitted under [sections 261B.3](#) and [261B.4](#) are public records under [chapter 22](#).

[84 Acts, ch 1098, §6](#); [95 Acts, ch 67, §21](#); [2009 Acts, ch 12, §9](#)

#### **261B.7 Unauthorized representation.**

A school or a school's officials or employees shall not advertise or represent that the school is approved or accredited by the commission or the state of Iowa. However, a registered school shall disclose that the school is registered by the commission on behalf of the state of Iowa and provide the commission's contact information for students who wish to inquire about the school or file a complaint.

[84 Acts, ch 1098, §7](#); [2009 Acts, ch 12, §10](#); [2012 Acts, ch 1077, §5](#)

#### **261B.8 Registration fees — postsecondary education fund.**

1. The commission shall set by rule and collect a nonrefundable initial registration fee and a renewal of registration fee from each registered school.

2. Fees shall be set by rule not more than once each year and shall be based upon the costs of administering [this chapter](#).

3. A postsecondary registration fund is created in the state treasury under the control of the commission. Fees collected under [this section](#) and any other moneys approved by the commission shall be deposited in the postsecondary registration fund. Moneys in the fund are appropriated to the commission and shall be used for any of the purposes set forth in [subsection 4](#). Notwithstanding [section 8.33](#), moneys in the fund shall not revert to the general fund of the state at the end of a fiscal year. Notwithstanding [section 12C.7](#), interest or earnings on moneys in the fund shall be credited to the fund.

4. Moneys in the fund may be used for any of the following purposes:

a. To administer [this chapter](#) and [chapter 261G](#).

b. To procure, evaluate, and store school records needed to establish the validity of claims against a school for failure to faithfully perform all contracts and agreements.

c. To pay institutional charges on behalf of Iowans who enrolled at the school.

d. To support an arrangement in which the school provides its current students with the opportunity to complete the students' courses of study when the school closes, including any activities designed to facilitate the transition of such students to another postsecondary educational institution.

e. To pay private educational loan debt incurred by Iowans for attendance at the school.

f. To reimburse Iowans who enrolled at the school for other financial loss, as determined by the commission.

g. For other purposes prescribed by rule by the commission.

[84 Acts, ch 1098, §8](#); [96 Acts, ch 1158, §11](#); [2004 Acts, ch 1145, §7](#); [2009 Acts, ch 12, §11](#); [2014 Acts, ch 1063, §3](#); [2021 Acts, ch 158, §1, 2](#)

Referred to in [§261G.5](#)

**261B.9 Disclosure to students.**

Prior to the commencement of a course of instruction and prior to the receipt of a tuition charge or fee for a course of instruction, a school shall provide written disclosure to students of the following information accompanied by a statement that the information is being provided in compliance with [this section](#):

1. The name or title of the course.
2. A brief description of the subject matter of the course.
3. The tuition charge or other fees charged for the course. If a student is enrolled in more than one course at the school, the tuition charge or fee for all courses may be stated in one sum.
4. The refund policy of the school for the return of the refundable portion of tuition, fees, or other charges. If refunds are not to be paid, the information shall state that fact.
5. Whether the credential or certificate issued, awarded, or credited to a student upon completion of the course or the fact of completion of the course is applicable toward a degree granted by the school and, if so, under what circumstances the application will be made.
6. The name of the accrediting agency recognized by the United States department of education or its successor agency which has accredited the school.
7. The disclosures required by the department of education for an out-of-state school that the state board of education approves to offer a practitioner preparation program by distance delivery method.

[84 Acts, ch 1098, §9; 2000 Acts, ch 1095, §19; 2012 Acts, ch 1077, §6, 7; 2013 Acts, ch 30, §61](#)  
Referred to in [§261B.4](#)

**261B.10 Advisory committee.** Repealed by 2010 Acts, ch 1031, §315.

**261B.11 Exceptions.**

1. [This chapter](#) does not apply to the following types of schools and courses of instruction:
  - a. Schools and educational programs conducted by firms, corporations, or persons solely for the training of their own employees.
  - b. Apprentice or other training programs provided by labor unions solely to members or applicants for membership.
  - c. Courses of instruction of an avocational or recreational nature that do not lead to an occupational objective.
  - d. Seminars, refresher courses, and programs of instruction sponsored by professional, business, or farming organizations or associations for the members and employees of members of these organizations or associations.
  - e. Courses of instruction conducted by a public school district or a combination of public school districts.
  - f. A community college established under [chapter 260C](#) or an institution of higher learning under the control of the board of regents.
  - g. Schools or courses of instruction or courses of training that are offered by a vendor solely to the purchaser or prospective purchaser of the vendor's product when the objective of the school or course is to enable the purchaser or the purchaser's employees to gain skills and knowledge to enable the purchaser to use the product.
  - h. Schools and educational programs conducted by religious organizations solely for the religious instruction of leadership practitioners of that religious organization.
  - i. Postsecondary educational institutions licensed by the state of Iowa under [chapter 157](#) to operate as schools of cosmetology arts and sciences\* in the state.
  - j. Higher education institutions that meet the criteria established under [section 256.183, subsection 1](#).
  - k. Postsecondary educational institutions offering programs limited to nondegree specialty career and technical training programs.
  - l. Higher education institutions located in Iowa that are affiliated with health care systems located in Iowa, and which offer health professions programs that are accredited by an accrediting agency recognized by the United States department of education.
  - m. Higher education institutions located in Iowa whose massage therapy curriculum is

approved under administrative rules of the department of inspections, appeals, and licensing and whose instructors are licensed massage therapists under [chapter 152C](#).

2. A school that claims an exemption from registration under [subsection 1](#) must apply for approval of the exemption and demonstrate to the commission that it qualifies for the exemption and meets consumer protection standards established by the commission. The commission may approve the school's exemption claim for a period not to exceed two years, or may for good cause deny the exemption claim. A school must reapply to renew an exemption approved pursuant to [this section](#).

a. A school approved for an exemption under [this section](#) must file evidence of financial responsibility under [section 714.18](#) or demonstrate to the commission that the school qualifies for an exemption under [section 714.18](#) or [714.19](#).

b. A for-profit school that offers a course of instruction leading to a recognized educational credential, such as an academic or professional degree, diploma, or license, must submit to the commission a tuition refund policy that meets the conditions of [section 714.23](#).

3. A school that is denied an exemption claim by the commission, or that no longer qualifies for a claimed exemption, shall apply for registration or cease operating in Iowa.

[84 Acts, ch 1098, §11; 96 Acts, ch 1158, §13; 97 Acts, ch 13, §2; 2005 Acts, ch 78, §1; 2009 Acts, ch 12, §13; 2012 Acts, ch 1077, §8; 2013 Acts, ch 90, §66; 2015 Acts, ch 140, §49, 53, 54; 2016 Acts, ch 1075, §1, 2; 2016 Acts, ch 1108, §60; 2016 Acts, ch 1132, §17, 19, 21; 2022 Acts, ch 1012, §2 – 4; 2023 Acts, ch 19, §1650; 2023 Acts, ch 99, §45](#)

Referred to in [§261B.3, 261B.11B, 261B.13](#)

\*"Schools of barbering and cosmetology arts and sciences" probably intended; corrective legislation is pending

Subsection 1, paragraph i amended

Subsection 1, paragraph m amended

#### **261B.11A Ineligibility for state student aid programs.**

1. Students attending schools required to register under [this chapter](#) are ineligible for state student financial aid programs established under [chapter 256, subchapter VII, part 4](#).

2. A school required to register under [this chapter](#) is prohibited from offering state aid or advertising that state aid is or may be available to students attending the school.

[2012 Acts, ch 1077, §9; 2023 Acts, ch 19, §2638](#)

Subsection 1 amended

#### **261B.11B Voluntary registration.**

A school or other postsecondary educational institution that is exempt under [section 261B.11](#) may voluntarily register under [this chapter](#) in order to comply with [chapter 261G](#) or for purposes of institutional eligibility under [34 C.F.R. §600.9\(a\)](#).

[2014 Acts, ch 1063, §4; 2015 Acts, ch 29, §40](#)

Referred to in [§256.177, 261G.2, 261G.5](#)

#### **261B.12 Violations — enforcement.**

1. When the commission or the commission's designee believes a school is in violation of [this chapter](#), the commission shall order the school to show cause why the commission should not issue a cease and desist order to the school.

2. After the school's response to the show cause order has been reviewed by the commission, the commission may issue a cease and desist order to the school if the commission believes the school continues to be in violation of [this chapter](#). If the school does not cease and desist, the commission may seek judicial enforcement of the cease and desist order in any district court.

3. A violation of [this chapter](#) constitutes an unlawful practice pursuant to [section 714.16](#).

[84 Acts, ch 1098, §12; 2009 Acts, ch 12, §14](#)

See also [§714.17 – 714.25](#)

#### **261B.13 Prohibition.**

1. Notwithstanding any other provision in [this chapter](#), a school or other entity that grants a degree shall not conduct any portion of a course of instruction or any aspect of its operations or otherwise establish a presence in this state if, with the exception of a school that qualifies for an exemption under [section 261B.11, subsection 1, paragraph "h"](#), the school or other

entity is not accredited by an accrediting agency recognized by the United States department of education.

2. A school registered under [this chapter](#) or otherwise authorized to operate under the laws of this state shall not enter into an agreement to conduct a course of instruction, confer a degree, or conduct any other aspect of its operation with another school that is in violation of [this section](#).

3. [This section](#) shall not apply to a foreign medical school that is accredited by a foreign entity recognized by the national committee on foreign medical education and accreditation. [2016 Acts, ch 1071, §1](#)