

SENATE/HOUSE FILE _____
BY (PROPOSED COLLEGE STUDENT
AID COMMISSION BILL)

A BILL FOR

1 An Act relating to the registration of postsecondary schools by
2 the college student aid commission and student eligibility
3 for state student financial aid programs.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 261B.3, subsection 4, Code 2017, is
2 amended to read as follows:

3 4. If a school fails to meet any of the registration
4 criteria, ~~or~~ if the commission believes that false, misleading,
5 or incomplete information has been submitted in connection with
6 an application for registration, or if the school has engaged
7 in conduct prohibited under section 261B.13, the commission
8 may deny, suspend, or revoke registration and the school shall
9 not operate in Iowa or otherwise offer its programs to Iowa
10 residents. ~~The commission shall conduct a hearing on the~~
11 ~~denial if a hearing is requested by a school. Upon a finding~~
12 ~~after the hearing that the school fails to meet any of the~~
13 ~~registration criteria, or that information contained in the~~
14 ~~registration application is false, misleading, or incomplete,~~
15 ~~the commission shall deny registration. The commission shall~~
16 ~~make the final decision on each registration. However, the~~
17 ~~decision of the commission is subject to judicial review in~~
18 ~~accordance with section 17A.19.~~

19 Sec. 2. Section 261B.3A, subsection 3, Code 2017, is amended
20 to read as follows:

21 3. The commission may grant a provisional registration to
22 a school that is ~~not~~ accredited by an agency or organization
23 that is recognized by the United States department of education
24 or its successor agency while the school is seeking authority
25 to provide programs under that accreditation at a location in
26 this state. The commission shall determine the duration of the
27 provisional registration. During the provisional registration
28 period, the school shall, at six-month intervals, submit to
29 the commission documentation of its progress toward ~~achieving~~
30 ~~accreditation~~ receiving authorization. The commission may
31 renew the school's provisional registration at its discretion
32 if the documentation submitted indicates that the school is
33 making progress toward ~~accreditation~~ authorization.

34 Sec. 3. Section 261B.6, Code 2017, is amended to read as
35 follows:

1 261B.6 List of schools.

2 The commission shall maintain a list of registered schools
3 and the list and the information submitted under ~~sections~~
4 ~~261B.3 and 261B.4~~ this chapter are public records under chapter
5 22.

6 Sec. 4. Section 261B.9, unnumbered paragraph 1, Code 2017,
7 is amended to read as follows:

8 Prior to the commencement of a course of instruction and
9 prior to the receipt of a tuition charge or fee for a course
10 of instruction, a school shall provide written disclosure
11 to students of the following information ~~accompanied by a~~
12 ~~statement that the information is being provided in compliance~~
13 ~~with this section:~~

14 Sec. 5. Section 261B.11A, Code 2017, is amended to read as
15 follows:

16 261B.11A Ineligibility for state student aid programs.

17 1. Students attending schools required to register under
18 this chapter are ineligible for state student financial aid
19 programs established under chapter 261. This subsection does
20 not apply to students attending a for-profit accredited private
21 institution as defined in section 261.25, subsection 2.

22 2. A school required to register under this chapter that
23 is prohibited from offering state aid ~~or advertising~~ shall not
24 advertise that state aid is or may be available to students
25 attending the school.

26 EXPLANATION

27 The inclusion of this explanation does not constitute agreement with
28 the explanation's substance by the members of the general assembly.

29 This bill relates both to a requirement that certain
30 postsecondary schools register with and be approved by the
31 college student aid commission, and to student eligibility for
32 state student financial aid programs.

33 Code chapter 261B requires certain postsecondary schools
34 to register with the commission in order to operate in
35 Iowa or otherwise offer its programs to Iowa residents.

1 Currently, the commission may deny registration and the
2 authorization to operate in Iowa to a school that fails to
3 meet registration criteria or provides false, misleading, or
4 incomplete information in connection with its application
5 for registration. The bill authorizes the commission to
6 also deny, suspend, or revoke a school's registration if
7 the school engaged in conduct prohibited under Code section
8 261B.13. Currently, Code section 261B.13 prohibits a
9 postsecondary school from operating in this state if the
10 school does not qualify for an exemption and is not accredited
11 by an accrediting agency recognized by the U.S. department
12 of education. Code section 261B.13 also prohibits a school
13 that is registered or otherwise authorized to operate in this
14 state from entering into an agreement to conduct a course of
15 instruction, confer a degree, or conduct any other aspect of
16 its operation with another school that is in violation of the
17 Code section.

18 The bill authorizes the commission to grant provisional
19 registration to a school if the school is accredited elsewhere
20 and is seeking the authorization of the accrediting agency
21 or organization to provide programs in Iowa under that
22 accreditation.

23 Under the bill, lists and information submitted under the
24 Code chapter are public records. The bill strikes a provision
25 requiring approved schools to include on written disclosures
26 provided to students, prior to the commencement of classes and
27 receipt of tuition or fees, a statement that the information
28 disclosed is provided in compliance with Code section 261B.9.

29 A Code provision making students who are attending schools
30 that are required to register with the commission ineligible
31 for state student financial aid programs is, under the bill,
32 inapplicable to students attending a for-profit accredited
33 private institution, as defined for purposes of the Iowa
34 tuition grant.

35 Currently, a school required to register with the commission

S.F. _____ H.F. _____

1 is prohibited from offering state aid or advertising that state
2 aid is or may be available to students attending the school.
3 The bill provides that a school which is required to register
4 with the commission and is prohibited from offering state aid
5 shall not advertise that state aid is or may be available to
6 students attending the school.