

**House File 561 - Introduced**

HOUSE FILE 561  
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO HSB 94)

**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  
24 education or its successor agency while the school is seeking  
25 authority to provide programs under that accreditation at  
26 a location in this state. The commission shall determine  
27 the duration of the provisional registration, not to exceed  
28 two years. During the provisional registration period, the  
29 school shall, at six-month intervals, submit to the commission  
30 documentation of its progress toward ~~achieving accreditation~~  
31 receiving authorization. The commission may renew the school's  
32 provisional registration at its discretion if the documentation  
33 submitted indicates that the school is making progress toward  
34 ~~accreditation~~ authorization.

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

1 follows:

2 **261B.6 List of schools.**

3 The commission shall maintain a list of registered schools  
4 and the list and the information submitted under ~~sections~~  
5 ~~261B.3 and 261B.4~~ this chapter are public records under chapter  
6 22.

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

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

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

17 **261B.11A Ineligibility for state student aid programs.**

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

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

27 EXPLANATION

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

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

34 Code chapter 261B requires certain postsecondary schools  
35 to register with the commission in order to operate in

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

19 The bill authorizes the commission to grant provisional  
20 registration for not more than two years to a school if the  
21 school is accredited elsewhere and is seeking the authorization  
22 of the accrediting agency or organization to provide programs  
23 in Iowa under that accreditation.

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

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

H.F. 561

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