Senate Study Bill 1059 - Introduced

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:

4. If a school fails to meet any of the registration 3 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:

The commission may grant a provisional registration to 21 3. 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 The commission shall determine the duration of the 26 this state. 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

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

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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:

261B.11A Ineligibility for state student aid programs.
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 <u>advertise</u> that state aid is or may be available to students 25 attending the school.

26

EXPLANATION

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

This bill relates both to a requirement that certain postsecondary schools register with and be approved by the college student aid commission, and to student eligibility for 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.

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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.

Under the bill, lists and information submitted under the Code chapter are public records. The bill strikes a provision requiring approved schools to include on written disclosures provided to students, prior to the commencement of classes and receipt of tuition or fees, a statement that the information disclosed is provided in compliance with Code section 261B.9. A Code provision making students who are attending schools that are required to register with the commission ineligible for state student financial aid programs is, under the bill, inapplicable to students attending a for-profit accredited private institution, as defined for purposes of the Iowa tuition grant.

35 Currently, a school required to register with the commission

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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.

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