

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 21-0661.01 Richard Sweetman x4333

HOUSE BILL 21-1306

HOUSE SPONSORSHIP

Garnett and Geitner, Esgar, McLachlan

SENATE SPONSORSHIP

Rodriguez and Lundeen, Bridges, Buckner, Pettersen, Zenzinger

House Committees

Education
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING APPROVALS OF CERTAIN ENTITIES TO OPERATE AS**
102 **POSTSECONDARY EDUCATIONAL ENTITIES IN THE STATE, AND, IN**
103 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Current law requires a private college or university operating in the state to be institutionally accredited on the basis of an on-site review by a regional or national accrediting body recognized by the United States department of education (DOE). The bill allows private colleges and universities and private occupational schools to be accredited by:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- Institutional accrediting bodies recognized by the DOE or by the Council for Higher Education Accreditation (CHEA); or
- Programmatic accrediting bodies that may accredit freestanding, single-purpose institutions.

If an institution intends to seek institutional accreditation from a programmatic accrediting body, the scope of such recognition must reflect the accrediting body's ability, as recognized by the DOE or the CHEA, to accredit a freestanding, single-purpose institution.

The bill states it is a deceptive trade or sales practice for a private occupational school to advertise or otherwise represent that it is accredited unless the school is accredited by an accrediting body that is recognized by the DOE or the CHEA.

The bill allows an educational institution or educational service that is exempt from the requirements of the "Private Occupational Education Act of 1981" to waive its exempt status in order to apply for authorization to operate a private occupational school, subject to certain conditions.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 23-2-103.3, **amend**
 3 (1)(b), (2), and (3); and **add** (1)(c) as follows:

4 **23-2-103.3. Authorization to operate in Colorado - renewal -**
 5 **definitions.** (1) (b) After receiving an application, the department shall
 6 review the application to determine whether the private college or
 7 university is institutionally accredited by ~~a regional or national~~ AN
 8 INSTITUTIONAL OR PROGRAMMATIC accrediting body recognized by the
 9 United States department of education OR THE COUNCIL FOR HIGHER
 10 EDUCATION ACCREDITATION. IF AN INSTITUTION INTENDS TO SEEK
 11 INSTITUTIONAL ACCREDITATION FROM A PROGRAMMATIC ACCREDITING
 12 BODY, THE SCOPE OF SUCH RECOGNITION MUST REFLECT THE ACCREDITING
 13 BODY'S ABILITY, AS RECOGNIZED BY THE UNITED STATES DEPARTMENT OF
 14 EDUCATION OR THE COUNCIL FOR HIGHER EDUCATION ACCREDITATION,
 15 TO ACCREDIT A FREESTANDING, SINGLE-PURPOSE INSTITUTION. The

1 department shall not recommend and the commission shall not approve
2 an application from a private college or university that, in the two years
3 preceding submission of the application, has had its accreditation
4 suspended or withdrawn or has been prohibited from operating in another
5 state or that has substantially the same owners, governing board, or
6 principal officers as a private college or university that, in the two years
7 preceding submission of the application, has had its accreditation
8 suspended or withdrawn or has been prohibited from operating in another
9 state.

10 (c) AS USED IN SUBSECTIONS (1) AND (2) OF THIS SECTION:

11 (I) "ACCREDITED" MEANS THAT AN INSTITUTION IS
12 INSTITUTIONALLY ACCREDITED BY:

13 (A) AN INSTITUTIONAL ACCREDITING BODY RECOGNIZED BY THE
14 UNITED STATES DEPARTMENT OF EDUCATION OR THE COUNCIL FOR
15 HIGHER EDUCATION ACCREDITATION; OR

16 (B) A PROGRAMMATIC ACCREDITING BODY THAT MAY
17 INSTITUTIONALLY ACCREDIT A FREESTANDING, SINGLE-PURPOSE
18 INSTITUTION.

19 (II) "PROGRAMMATIC ACCREDITING BODY" MEANS AN
20 ACCREDITING BODY THAT IS RECOGNIZED BY THE UNITED STATES
21 DEPARTMENT OF EDUCATION OR THE COUNCIL FOR HIGHER EDUCATION
22 ACCREDITATION AND:

23 (A) ACCREDITS ACADEMIC PROGRAMS THAT ARE WITHIN THE
24 ACCREDITING BODY'S SCOPE OF RECOGNITION AND WITHIN AN
25 INSTITUTIONALLY ACCREDITED INSTITUTION; OR

26 (B) PURSUANT TO THE SCOPE OF SUCH RECOGNITION, MAY
27 INSTITUTIONALLY ACCREDIT A FREESTANDING, SINGLE-PURPOSE

1 INSTITUTION.

2 (2) To operate in Colorado, a private college or university shall be
3 institutionally accredited on the basis of an on-site review by ~~a regional~~
4 ~~or national~~ AN INSTITUTIONAL OR PROGRAMMATIC accrediting body
5 recognized by the United States department of education OR THE COUNCIL
6 FOR HIGHER EDUCATION ACCREDITATION; except that a private college
7 or university may operate for an initial period without accreditation if the
8 commission determines, in accordance with standards established by the
9 commission, that the private college or university is likely to become
10 accredited in a reasonable period of time or is making progress toward
11 accreditation in accordance with the accrediting body's policies. The
12 commission may grant a provisional authorization to a private college or
13 university to operate for an initial period without accreditation. The
14 private college or university shall annually renew its provisional
15 authorization and report annually to the commission concerning the
16 institution's progress in obtaining accreditation.

17 (3) A private college or university shall immediately notify the
18 department of any material information related to an action by the
19 institution's accrediting body concerning the institution's accreditation
20 status, including but not limited to reaffirmation or loss of accreditation,
21 approval of a request for change, a campus evaluation visit, a focused
22 visit, or approval of additional locations. In addition, the institution shall
23 immediately notify the department if the institution's accrediting body is
24 no longer recognized by the United States department of education OR
25 THE COUNCIL FOR HIGHER EDUCATION ACCREDITATION.

26 **SECTION 2.** In Colorado Revised Statutes, 23-2-103.4, **amend**
27 (2)(d) as follows:

1 **23-2-103.4. Authorization - revocation - probationary status.**

2 (2) With regard to the authorization of a private college or university, the
3 commission may:

4 (d) Revoke the private college's or university's authorization or
5 place the private college or university on probationary status if the United
6 States department of education OR THE COUNCIL FOR HIGHER EDUCATION
7 ACCREDITATION ceases to recognize the institution's accrediting body OR
8 IF THE ACCREDITING BODY'S SCOPE OF RECOGNITION CEASES TO INCLUDE
9 THE ABILITY TO ACCREDIT A FREESTANDING, SINGLE-PURPOSE
10 INSTITUTION.

11 **SECTION 3.** In Colorado Revised Statutes, 23-2-103.8, **amend**
12 (2)(b)(I)(A) and (2)(c)(I) as follows:

13 **23-2-103.8. Financial integrity - surety.** (2) (b) (I) A private
14 college or university may demonstrate financial integrity by meeting the
15 following criteria:

16 (A) The institution has been accredited for at least ten years by an
17 accrediting ~~agency~~ BODY that is recognized by the United States
18 department of education OR THE COUNCIL FOR HIGHER EDUCATION
19 ACCREDITATION;

20 (c) A private college or university may demonstrate financial
21 integrity by meeting the following criteria:

22 (I) The institution has received and maintains full accreditation
23 without sanction from an accrediting ~~agency~~ BODY that is recognized by
24 the United States department of education OR THE COUNCIL FOR HIGHER
25 EDUCATION ACCREDITATION, which accrediting ~~agency~~ BODY requires the
26 institution to maintain surety or an escrow account or has affirmatively
27 waived or otherwise removed the requirement for the institution;

1 **SECTION 4.** In Colorado Revised Statutes, 23-64-112, **amend**
2 (1)(s); and **add** (1)(t) as follows:

3 **23-64-112. Minimum standards.** (1) In establishing the criteria
4 required by section 23-64-108 (1)(a), (1)(b), and (1)(j), the board shall
5 observe and require compliance with at least the following minimum
6 standards for all schools:

7 (s) That the school shall not deny enrollment of a student or make
8 any distinction or classification of students on account of race, color,
9 creed, religion, national origin, ancestry, sex, sexual orientation, or
10 marital status; AND

11 (t) THAT A SCHOOL OFFERING AN ASSOCIATE DEGREE IS
12 ACCREDITED BY AN INSTITUTIONAL OR PROGRAMMATIC ACCREDITING
13 BODY THAT IS OFFICIALLY RECOGNIZED BY THE UNITED STATES
14 DEPARTMENT OF EDUCATION OR THE COUNCIL FOR HIGHER EDUCATION
15 ACCREDITATION.

16 **SECTION 5.** In Colorado Revised Statutes, 23-64-123, **amend**
17 (1)(k); and **add** (1)(l) as follows:

18 **23-64-123. Deceptive trade or sales practices.** (1) It is a
19 deceptive trade or sales practice for:

20 (k) A school or agent to designate or refer to its sales
21 representatives as "counselors" or "advisors" or to use words of similar
22 import that have the tendency to mislead or deceive prospective students
23 or the public regarding the authority or qualifications of the sales
24 representatives or agents; OR

25 (l) A SCHOOL TO ADVERTISE OR OTHERWISE REPRESENT THAT IT IS
26 ACCREDITED UNLESS THE SCHOOL IS ACCREDITED BY AN ACCREDITING
27 BODY THAT IS RECOGNIZED BY THE UNITED STATES DEPARTMENT OF

1 EDUCATION OR THE COUNCIL FOR HIGHER EDUCATION ACCREDITATION.

2 **SECTION 6.** In Colorado Revised Statutes, 23-64-104, **add** (2)
3 as follows:

4 **23-64-104. Exemptions.** (2) AN EDUCATIONAL INSTITUTION OR
5 EDUCATIONAL SERVICE DESCRIBED IN SUBSECTION (1) OF THIS SECTION
6 MAY WAIVE ITS EXEMPT STATUS IN ORDER TO APPLY FOR AUTHORIZATION
7 TO OPERATE A PRIVATE OCCUPATIONAL SCHOOL PURSUANT TO THIS
8 ARTICLE 64 BY SUBMITTING THE WAIVER IN WRITING TO THE BOARD. THE
9 FOLLOWING APPLIES TO AN EDUCATIONAL INSTITUTION OR EDUCATIONAL
10 SERVICE THAT WAIVES ITS EXEMPT STATUS:

11 (a) AN EDUCATIONAL INSTITUTION'S OR EDUCATIONAL SERVICE'S
12 WAIVER OF ITS EXEMPT STATUS DOES NOT GUARANTEE THE APPROVAL OF
13 THE EDUCATIONAL INSTITUTION OR EDUCATIONAL SERVICE AS A PRIVATE
14 OCCUPATIONAL SCHOOL, AND AN EDUCATIONAL INSTITUTION OR
15 EDUCATIONAL SERVICE THAT WAIVES EXEMPT STATUS PURSUANT TO THIS
16 SUBSECTION (2) MUST APPLY FOR A CERTIFICATE OF APPROVAL AS
17 DESCRIBED IN SECTION 23-64-114; AND

18 (b) UPON THE ISSUANCE OF A CERTIFICATE OF APPROVAL
19 PURSUANT TO SECTION 23-64-115, THE EDUCATIONAL INSTITUTION OR
20 EDUCATIONAL SERVICE SUBMITS TO ALL APPLICABLE PROVISIONS OF THIS
21 ARTICLE 64 AND ANY RULES PROMULGATED IN ASSOCIATION WITH THIS
22 ARTICLE 64 FOR THE FULL TERM OF THE CERTIFICATE OF APPROVAL.

23 **SECTION 7. Appropriation.** (1) For the 2021-22 state fiscal
24 year, \$98,796 is appropriated to the department of higher education. This
25 appropriation is from the private occupational schools fund created in
26 section 23-64-122 (1), C.R.S. To implement this act, the department may
27 use this appropriation as follows:

1 (a) \$45,626 for use by the division of private occupational schools
2 for program costs, which amount is based on an assumption that the
3 division will require an additional 0.6 FTE; and

4 (b) \$53,170 for the purchase of legal services.

5 (2) For the 2021-22 state fiscal year, \$53,170 is appropriated to
6 the department of law. This appropriation is from reappropriated funds
7 received from the department of higher education under subsection (1)(b)
8 of this section and is based on an assumption that the department of law
9 will require an additional 0.3 FTE. To implement this act, the department
10 of law may use this appropriation to provide legal services for the
11 department of higher education.

12 **SECTION 8. Act subject to petition - effective date.** This act
13 takes effect at 12:01 a.m. on the day following the expiration of the
14 ninety-day period after final adjournment of the general assembly; except
15 that, if a referendum petition is filed pursuant to section 1 (3) of article V
16 of the state constitution against this act or an item, section, or part of this
17 act within such period, then the act, item, section, or part will not take
18 effect unless approved by the people at the general election to be held in
19 November 2022 and, in such case, will take effect on the date of the
20 official declaration of the vote thereon by the governor.