

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

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 21-0661.01 Richard Sweetman x4333

HOUSE BILL 21-1306

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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.

HOUSE
3rd Reading Unamended
May 26, 2021

HOUSE
Amended 2nd Reading
May 25, 2021

- 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 IS ACCREDITED BY A
 10 PROGRAMMATIC ACCREDITING BODY RECOGNIZED BY THE COUNCIL FOR
 11 HIGHER EDUCATION ACCREDITATION AS HAVING THE ABILITY TO
 12 ACCREDIT A FREESTANDING, SINGLE-PURPOSE INSTITUTION OF
 13 CONSTRUCTION EDUCATION. The department shall not recommend and the
 14 commission shall not approve an application from a private college or
 15 university that, in the two years preceding submission of the application,

1 has had its accreditation suspended or withdrawn or has been prohibited
2 from operating in another state or that has substantially the same owners,
3 governing board, or principal officers as a private college or university
4 that, in the two years preceding submission of the application, has had its
5 accreditation suspended or withdrawn or has been prohibited from
6 operating in another state.

7 (c) AS USED IN SUBSECTIONS (1) AND (2) OF THIS SECTION,
8 "ACCREDITED" MEANS THAT AN INSTITUTION IS INSTITUTIONALLY
9 ACCREDITED BY:

10 (I) AN INSTITUTIONAL ACCREDITING BODY RECOGNIZED BY THE
11 UNITED STATES DEPARTMENT OF EDUCATION;

12 (II) A PROGRAMMATIC ACCREDITING BODY RECOGNIZED BY THE
13 UNITED STATES DEPARTMENT OF EDUCATION, WHICH BODY MAY
14 INSTITUTIONALLY ACCREDIT A FREESTANDING, SINGLE-PURPOSE
15 INSTITUTION; OR

16 (III) A PROGRAMMATIC ACCREDITING BODY RECOGNIZED BY THE
17 COUNCIL FOR HIGHER EDUCATION ACCREDITATION, WHICH BODY MAY
18 INSTITUTIONALLY ACCREDIT A FREESTANDING, SINGLE-PURPOSE
19 INSTITUTION OF CONSTRUCTION EDUCATION.

20 (2) To operate in Colorado, a private college or university shall be
21 institutionally accredited on the basis of an on-site review by ~~a regional~~
22 ~~or national~~ AN INSTITUTIONAL OR PROGRAMMATIC accrediting body
23 recognized by the United States department of education OR, FOR
24 CONSTRUCTION EDUCATION INSTITUTIONS, THE COUNCIL FOR HIGHER
25 EDUCATION ACCREDITATION; except that a private college or university
26 may operate for an initial period without accreditation if the commission
27 determines, in accordance with standards established by the commission,

1 that the private college or university is likely to become accredited in a
2 reasonable period of time or is making progress toward accreditation in
3 accordance with the accrediting body's policies. The commission may
4 grant a provisional authorization to a private college or university to
5 operate for an initial period without accreditation. The private college or
6 university shall annually renew its provisional authorization and report
7 annually to the commission concerning the institution's progress in
8 obtaining accreditation.

9 (3) A private college or university shall immediately notify the
10 department of any material information related to an action by the
11 institution's accrediting body concerning the institution's accreditation
12 status, including but not limited to reaffirmation or loss of accreditation,
13 approval of a request for change, a campus evaluation visit, a focused
14 visit, or approval of additional locations. In addition, the institution shall
15 immediately notify the department if the institution's accrediting body is
16 no longer recognized by the United States department of education OR, IF
17 APPLICABLE, THE COUNCIL FOR HIGHER EDUCATION ACCREDITATION.

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

20 **23-2-103.4. Authorization - revocation - probationary status.**

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

23 (d) Revoke the private college's or university's authorization or
24 place the private college or university on probationary status if the United
25 States department of education OR, IF APPLICABLE, THE COUNCIL FOR
26 HIGHER EDUCATION ACCREDITATION, ceases to recognize the institution's
27 accrediting body OR IF THE PROGRAMMATIC ACCREDITING BODY'S SCOPE

1 OF RECOGNITION CEASES TO INCLUDE THE ABILITY TO ACCREDIT A
2 FREESTANDING, SINGLE-PURPOSE INSTITUTION.

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

5 **23-2-103.8. Financial integrity - surety.** (2) (b) (I) A private
6 college or university may demonstrate financial integrity by meeting the
7 following criteria:

8 (A) The institution has been accredited for at least ten years by an
9 accrediting ~~agency~~ BODY that is recognized by the United States
10 department of education OR, IF APPLICABLE, THE COUNCIL FOR HIGHER
11 EDUCATION ACCREDITATION;

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

14 (I) The institution has received and maintains full accreditation
15 without sanction from an accrediting ~~agency~~ BODY that is recognized by
16 the United States department of education OR, IF APPLICABLE, THE
17 COUNCIL FOR HIGHER EDUCATION ACCREDITATION, which accrediting
18 ~~agency~~ BODY requires the institution to maintain surety or an escrow
19 account or has affirmatively waived or otherwise removed the
20 requirement for the institution;

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

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

27 (s) That the school shall not deny enrollment of a student or make

1 any distinction or classification of students on account of race, color,
2 creed, religion, national origin, ancestry, sex, sexual orientation, or
3 marital status; AND

4 (t) THAT A SCHOOL OFFERING AN ASSOCIATE DEGREE IS
5 ACCREDITED BY AN INSTITUTIONAL OR PROGRAMMATIC ACCREDITING
6 BODY THAT IS OFFICIALLY RECOGNIZED BY THE UNITED STATES
7 DEPARTMENT OF EDUCATION OR THE COUNCIL FOR HIGHER EDUCATION
8 ACCREDITATION.

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

11 **23-64-123. Deceptive trade or sales practices.** (1) It is a
12 deceptive trade or sales practice for:

13 (k) A school or agent to designate or refer to its sales
14 representatives as "counselors" or "advisors" or to use words of similar
15 import that have the tendency to mislead or deceive prospective students
16 or the public regarding the authority or qualifications of the sales
17 representatives or agents; OR

18 (l) A SCHOOL TO ADVERTISE OR OTHERWISE REPRESENT THAT IT IS
19 ACCREDITED UNLESS THE SCHOOL IS ACCREDITED BY AN ACCREDITING
20 BODY THAT IS RECOGNIZED BY THE UNITED STATES DEPARTMENT OF
21 EDUCATION OR IS ACCREDITED BY A PROGRAMMATIC ACCREDITING BODY
22 RECOGNIZED BY THE COUNCIL FOR HIGHER EDUCATION ACCREDITATION
23 AS HAVING THE ABILITY TO ACCREDIT A FREESTANDING, SINGLE-PURPOSE
24 INSTITUTION OF CONSTRUCTION EDUCATION.

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

27 **23-64-104. Exemptions.** (2) AN EDUCATIONAL INSTITUTION OR

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

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

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

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

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

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

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

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