

SB0795/424530/1

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO SENATE BILL 795
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, strike “and” and substitute a comma; in line 3, after “Education” insert “, and For-Profit Online Distance Education Programs”; in line 4, strike “and” and substitute a comma; in line 5, after “education” insert “, and certain institutions of higher education required to register with the Maryland Higher Education Commission under certain circumstances”; strike beginning with “unless” in line 5 down through “information” in line 6 and substitute “in certain programs under certain circumstances; requiring certain schools or institutions to provide to certain students certain information before the student signs an enrollment agreement, completes registration, or makes a financial commitment to the school or institution; requiring certain information to be displayed in a certain manner; requiring certain schools and institutions to maintain certain records for a certain period of time”; in line 6, strike “Maryland Higher Education”; in line 7, strike “private career”; in the same line, strike “for-profit”; in the same line, strike “of higher education”; strike beginning with “other” in line 8 down through “liability” in line 9 and substitute “irrevocable letter of credit in a certain amount and between the surety and the Commission”; strike beginning with “requiring” in line 10 down through “correction” in line 15 and substitute “authorizing the Commission to create and provide for certain guaranty funds”; in line 17, strike “and” and substitute a comma; in the same line, after “education” insert “, and for-profit online distance education programs”; after line 22, insert:

“BY repealing and reenacting, without amendments,

Article - Education

Section 11-202.2(a) and (b)

Annotated Code of Maryland

(2018 Replacement Volume)”;

(Over)

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and in line 25, strike “11–203” and substitute “11–203(a) through (c) and (d)(1)”.

AMENDMENT NO. 2

On page 2, in line 6, after “Article,” insert “OR A FOR–PROFIT INSTITUTION OF HIGHER EDUCATION THAT IS REQUIRED TO REGISTER WITH THE MARYLAND HIGHER EDUCATION COMMISSION UNDER § 11–202.2 OF THE EDUCATION ARTICLE,”; in line 19, after “(B)” insert “(1)”; in the same line, strike “A” and substitute “BEFORE A PROSPECTIVE STUDENT SIGNS AN ENROLLMENT AGREEMENT, COMPLETES REGISTRATION, OR MAKES A FINANCIAL COMMITMENT TO A”; in the same line, strike “OR” and substitute a comma; in line 20, after “EDUCATION” insert “, OR FOR–PROFIT INSTITUTION OF HIGHER EDUCATION THAT IS REQUIRED TO REGISTER WITH THE COMMISSION, THE SCHOOL OR INSTITUTION SHALL PROVIDE TO THE STUDENT”; strike beginning with “MAY” in line 20 down through “OF” in line 21; strike in their entirety lines 22 through 26, inclusive, and substitute:

“(I) THE TOTAL COST OF ATTENDANCE FOR THE PROGRAM, AS DEFINED IN 20 U.S.C. § 1087LL;

(II) THE LENGTH OF THE PROGRAM;

(III) THE NUMBER OF CLOCK OR CREDIT HOURS, OR THE EQUIVALENT INFORMATION;

(IV) THE SCHOOL OR INSTITUTION’S CANCELLATION AND REFUND POLICY;

(V) THE PROGRAM’S COMPLETION RATES FOR BOTH FULL–TIME AND PART–TIME STUDENTS; AND

(VI) THE PROGRAM’S WITHDRAWAL RATES.

(2) (i) THE INFORMATION DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE PROMINENTLY DISPLAYED IN A LETTER OR E-MAIL TO A PROSPECTIVE STUDENT.

(ii) THE LETTER OR E-MAIL MAY NOT CONTAIN ANY OTHER SUBSTANTIVE INFORMATION FROM THE SCHOOL OR INSTITUTION.

(3) THE SCHOOL OR INSTITUTION SHALL MAINTAIN RECORDS OF THE SCHOOL'S OR INSTITUTION'S EFFORTS TO PROVIDE THE INFORMATION DESCRIBED UNDER PARAGRAPH (1) OF THIS SUBSECTION TO A PROSPECTIVE STUDENT FOR AT LEAST 5 YEARS AFTER THE STUDENT ENROLLS AT THE SCHOOL OR INSTITUTION."

AMENDMENT NO. 3

On page 2, after line 27, insert:

"11-202.2.

(a) (1) In this subtitle the following words have the meanings indicated.

(2) "Fully online distance education program in the State" means a program, originating outside the State, offered by an out-of-state institution in which:

(i) A student domiciled in Maryland enrolls;

(ii) 51% or more of the program is offered through electronic distribution; and

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(iii) The Commission determines that the portion of the program offered at a location in the State, if any, does not require a certificate of approval under § 11–202 of this subtitle for the institution to operate in the State.

(3) “Out-of-state institution” means an institution of higher education whose primary campus exists outside Maryland and whose authority to grant degrees is conferred by another state.

(b) (1) An institution of higher education that enrolls Maryland students in a fully online distance education program in the State shall file an application to register with the Commission before or within 3 months of enrolling the first Maryland student.

(2) This section does not apply to an institution of higher education that enrolls Maryland students in a fully online distance education program in the State that:

(i) Is subject to program review by the Commission under § 11–206 or § 11–206.1 of this subtitle;

(ii) Participates in the Southern Regional Education Board’s Electronic Campus; or

(iii) Participates in the State Authorization Reciprocity Agreement (SARA).

(3) (i) After filing an application under paragraph (1) of this subsection, an institution that has enrolled a Maryland student before obtaining a registration under this section may continue to operate without a registration while the Commission considers the institution’s application, conducts a hearing concerning the institution’s application, or participates in judicial review regarding an institution’s application.

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(ii) An institution that continues to operate without a registration under subparagraph (i) of this paragraph shall furnish a performance bond or other form of financial guarantee to the State in an amount set by regulation that is in addition to and separate from a performance bond or other form of financial guarantee required under § 11-203 of this subtitle.”.

On page 3, in line 8, strike “AND (5)”; in line 10, after “STATE” insert “, AND EACH FOR-PROFIT INSTITUTION OF HIGHER EDUCATION THAT IS REQUIRED TO REGISTER WITH THE COMMISSION UNDER § 11-202.2 OF THIS SUBTITLE,”; strike beginning with “OTHER” in line 11 down through “INSTITUTION” in line 12 and substitute “IRREVOCABLE LETTER OF CREDIT IN AN AMOUNT EQUAL TO THE SCHOOL’S OR INSTITUTION’S NON-TITLE IV ADJUSTED GROSS TUITION AND FEES FOR THE PRIOR JULY 1 THROUGH JUNE 30”; in line 13, after “(b)” insert “(1)”; in line 14, after “SECTION” insert “AND SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION”; and after line 15, insert:

“(2) A PERFORMANCE BOND OR IRREVOCABLE LETTER OF CREDIT REQUIRED UNDER THIS SECTION SHALL BE BETWEEN THE SURETY AND THE COMMISSION.”.

AMENDMENT NO. 4

On page 3, in line 22, strike “Shall” and substitute “MAY”.

On pages 3 through 7, strike in their entirety the lines beginning with line 29 on page 3 through line 5 on page 7, inclusive.