

1 A bill to be entitled
 2 An act relating to independent postsecondary
 3 educational institutions; amending s. 1005.04, F.S.;
 4 requiring that certain institutions include specified
 5 information relating to student fees and costs in a
 6 disclosure to prospective students; creating s.
 7 1005.11, F.S.; requiring the Commission for
 8 Independent Education to annually prepare an
 9 accountability report by a specified date; requiring
 10 licensed institutions to annually provide certain data
 11 to the commission by a specified date and authorizing
 12 administrative fines for an institution that fails to
 13 timely submit the data; requiring placement rates to
 14 be determined using a specified methodology; requiring
 15 the commission to establish a common set of data
 16 definitions; requiring the commission to establish
 17 certain benchmarks by rule; providing for the
 18 designation of certain licensed institutions as "high
 19 performing"; amending s. 1005.21, F.S.; revising the
 20 commission's membership; limiting the terms of
 21 commission members; amending s. 1005.22, F.S.;
 22 requiring the commission to approve an annual budget;
 23 providing for the review of certain complaints
 24 concerning institutions or programs which are not
 25 closed within a specified time; authorizing the
 26 commission to prohibit the enrollment of new students,

27 | or limit the number of students in a program at, a
 28 | licensed institution under certain circumstances;
 29 | amending s. 1005.31, F.S.; revising the commission's
 30 | evaluation standards for licensure of an institution;
 31 | requiring certain institutions to post a surety bond
 32 | or similar financial security for specified purposes;
 33 | requiring the commission to adopt rules; requiring the
 34 | commission to examine an application for licensure and
 35 | take certain actions within a specified period;
 36 | amending s. 1005.32, F.S.; deleting a provision
 37 | authorizing an institution that is a Florida
 38 | corporation to apply for licensure by means of
 39 | accreditation; requiring institutions granted
 40 | licensure through accreditation to file a retention
 41 | and completion management plan; amending s. 1005.36,
 42 | F.S.; requiring the commission to create a Closed
 43 | Institution Panel; providing membership and duties of
 44 | the panel; providing that the panel's activities be
 45 | conducted at the expense of certain institutions;
 46 | amending s. 1005.37, F.S.; requiring the commission to
 47 | annually determine fees to support the Student
 48 | Protection Fund; providing that fees may not be
 49 | collected under certain circumstances; amending s.
 50 | 1005.39, F.S.; requiring the commission to determine
 51 | whether certain personnel of licensed institutions are
 52 | qualified and require certain personnel to complete

53 continuing education and training; requiring the
 54 commission to annually verify that certain personnel
 55 have completed certain training by a specified date;
 56 authorizing continuing education to be provided by
 57 licensed institutions under certain circumstances;
 58 requiring certain evidence be included in initial or
 59 renewal application forms provided by the commission;
 60 providing an effective date.

61

62 Be It Enacted by the Legislature of the State of Florida:

63

64 Section 1. Paragraph (a) of subsection (1) of section
 65 1005.04, Florida Statutes, is amended to read:

66 1005.04 Fair consumer practices.—

67 (1) Every institution that is under the jurisdiction of
 68 the commission or is exempt from the jurisdiction or purview of
 69 the commission pursuant to s. 1005.06(1)(c) or (f) and that
 70 either directly or indirectly solicits for enrollment any
 71 student shall:

72 (a) Disclose to each prospective student a statement of
 73 the purpose of such institution, its educational programs and
 74 curricula, a description of its physical facilities, its status
 75 regarding licensure, its fee schedule, including all fees and
 76 costs that will be incurred by a student for completion of a
 77 program at the institution, ~~and~~ policies regarding retaining
 78 student fees if a student withdraws, and a statement regarding

79 | the transferability of credits to and from other institutions.
 80 | The institution shall make the required disclosures in writing
 81 | at least 1 week prior to enrollment or collection of any tuition
 82 | from the prospective student. The required disclosures may be
 83 | made in the institution's current catalog;

84 | Section 2. Section 1005.11, Florida Statutes, is created
 85 | to read:

86 | 1005.11 Accountability for institutions licensed by the
 87 | Commission for Independent Education.-

88 | (1) By March 15 of each year, the commission shall prepare
 89 | an annual accountability report for licensed institutions. The
 90 | report must contain, at a minimum, the graduation rates,
 91 | including the number of graduates by program, retention rates,
 92 | and placement rates for all licensed institutions.

93 | (2) By November 30 of each year, each licensed institution
 94 | shall provide data to the commission in a format prescribed by
 95 | the commission. Placement rates shall be determined using
 96 | Florida Education and Training Placement Information Program
 97 | methodology. The commission shall establish a common set of data
 98 | definitions that are consistent with those used by the United
 99 | States Department of Education for institutional reporting
 100 | purposes.

101 | (3) The commission shall impose an administrative fine of
 102 | not more than \$1,000 when a licensed institution fails to timely
 103 | submit the required data to the commission pursuant to this
 104 | section. Administrative fines collected under this subsection

105 shall be deposited into the Student Protection Fund.

106 (4) The commission shall establish by rule performance
 107 benchmarks to identify high-performing institutions licensed by
 108 the commission. Licensed institutions with graduation rates,
 109 retention rates, and placement rates equal to or higher than the
 110 average rates of all Florida universities, colleges, or career
 111 centers, as appropriate, may receive and use the designation of
 112 "high performing."

113 Section 3. Paragraphs (c) and (d) of subsection (2) and
 114 subsection (3) of section 1005.21, Florida Statutes, are amended
 115 to read:

116 1005.21 Commission for Independent Education.—

117 (2) The Commission for Independent Education shall consist
 118 of seven members who are residents of this state. The commission
 119 shall function in matters concerning independent postsecondary
 120 educational institutions in consumer protection, program
 121 improvement, and licensure for institutions under its purview.
 122 The Governor shall appoint the members of the commission who are
 123 subject to confirmation by the Senate. The membership of the
 124 commission shall consist of:

125 (c) One member who is an employer of graduates of
 126 institutions licensed by the commission. The member may not have
 127 any other relationship with an institution subject to licensure
 128 by the commission except for his or her status as an employer of
 129 graduates of the institution ~~from a public school district or~~
 130 ~~Florida College System institution who is an administrator of~~

131 ~~career education.~~

132 (d) One member who is a graduate of an institution subject
 133 to licensure by the commission. The member may not have any
 134 other relationship with an institution subject to licensure by
 135 the commission except for his or her status as an alumnus
 136 ~~representative of a college that meets the criteria of s.~~
 137 ~~1005.06(1)(f).~~

138 (3) The members of the commission shall be appointed to 3-
 139 year terms. Members may serve no more than three consecutive
 140 terms or and until their successors are appointed and qualified,
 141 whichever occurs first. If a vacancy on the commission occurs
 142 before the expiration of a term, the Governor shall appoint a
 143 successor to serve the unexpired portion of the term.

144 Section 4. Paragraphs (e) and (k) of subsection (1) of
 145 section 1005.22, Florida Statutes, are amended, and paragraph
 146 (j) is added to subsection (2), to read:

147 1005.22 Powers and duties of commission.—

148 (1) The commission shall:

149 (e) Administer the provisions of this chapter. To this
 150 end, the commission has the following administrative powers and
 151 responsibilities:

152 1. The commission shall adopt rules pursuant to ss.
 153 120.536(1) and 120.54 for the operation and establishment of
 154 independent postsecondary educational institutions. The
 155 commission shall submit the rules to the State Board of
 156 Education for approval or disapproval. If the state board does

157 not act on a rule within 60 days after receiving it, the rule
 158 shall be filed immediately with the Department of State.

159 2. The commission shall approve and submit an annual
 160 budget to the State Board of Education.

161 3. The commission shall transmit all fees, donations, and
 162 other receipts of money to the Institutional Assessment Trust
 163 Fund.

164 4. The commission shall expend funds as necessary to
 165 assist in the application and enforcement of its powers and
 166 duties. The Chief Financial Officer shall pay out all moneys and
 167 funds as directed under this chapter upon vouchers approved by
 168 the Department of Education for all lawful purposes necessary to
 169 administering this chapter. The commission shall make annual
 170 reports to the State Board of Education showing in detail
 171 amounts received and all expenditures. The commission shall
 172 include in its annual report to the State Board of Education a
 173 statement of its major activities during the period covered by
 174 the report.

175 (k) Establish and publicize the procedures for receiving
 176 and responding to complaints from students, faculty, and others
 177 concerning institutions or programs under the purview of the
 178 commission, and keep records of such complaints in order to
 179 determine the frequency and nature of complaints with respect to
 180 specific institutions of higher education. Complaints not closed
 181 within 90 days shall be reviewed by a committee appointed by the
 182 commission.

183 (2) The commission may:

184 (j) Prohibit a licensed institution from enrolling new
 185 students, or limit the number of students in a program at a
 186 licensed institution, based on the institution's performance.

187 Section 5. Subsections (5) through (16) of section
 188 1005.31, Florida Statutes, are renumbered as subsections (6)
 189 through (17), respectively, subsection (2) and present
 190 subsection (6) are amended, and a new subsection (5) is added to
 191 that section, to read:

192 1005.31 Licensure of institutions.—

193 (2) The commission shall develop minimum standards by
 194 which to evaluate institutions for licensure. These standards
 195 must include, at a minimum, ~~at least~~ the institution's: name,
 196 financial stability, purpose, administrative organization,
 197 admissions and recruitment, educational programs and curricula,
 198 retention and ~~completion,~~ including a retention and completion
 199 management plan, career placement, faculty, learning resources,
 200 student personnel services, physical plant and facilities,
 201 publications, and disclosure statements about the status of the
 202 institution with respect to professional certification and
 203 licensure. The commission may adopt rules to ensure that
 204 institutions licensed under this section meet these standards in
 205 ways that are appropriate to achieve the stated intent of this
 206 chapter, including provisions for nontraditional or distance
 207 education programs and delivery.

208 (5) The commission may require institutions that do not

209 provide sufficient evidence of financial stability at the time
 210 of application for a provisional license or that are dependent
 211 upon financial resources located outside of the United States to
 212 post and maintain a surety bond to assist each enrolled student
 213 in completing his or her program of enrollment in the event that
 214 the institution closes before receiving its first annual
 215 licensure renewal. In lieu of a surety bond, the commission may
 216 require an institution to establish and maintain a cash deposit
 217 escrow account or an irrevocable letter of credit payable to the
 218 commission in an amount not to exceed 50 percent of the
 219 institution's projected revenue for its first year. The
 220 commission shall adopt rules to implement this subsection.

221 (7) ~~(6)~~ The commission shall ensure through an
 222 investigative process that applicants for licensure meet the
 223 standards as defined in rule. Within 30 days after receipt of an
 224 application, the commission shall examine the application,
 225 notify the applicant of any apparent errors or omissions, and
 226 request any necessary additional information from the applicant.
 227 When the investigative process is not completed within the time
 228 set out in s. 120.60(1) and the commission has reason to believe
 229 that the applicant does not meet licensure standards, the
 230 commission or the executive director of the commission may issue
 231 a 90-day licensure delay, which shall be in writing and
 232 sufficient to notify the applicant of the reason for the delay.
 233 The provisions of this subsection shall control over any
 234 conflicting provisions of s. 120.60(1).

235 Section 6. Paragraph (e) of subsection (1) and subsection
 236 (3) of section 1005.32, Florida Statutes, are amended to read:

237 1005.32 Licensure by means of accreditation.—

238 (1) An independent postsecondary educational institution
 239 that meets the following criteria may apply for a license by
 240 means of accreditation from the commission:

241 ~~(e) The institution is a Florida corporation.~~

242 (3) The commission may not require an institution granted
 243 a license by means of accreditation to submit reports that
 244 differ from the reports required by its accrediting association,
 245 except that each institution must file with the commission an
 246 annual audit report and a retention and completion management
 247 plan pursuant to s. 1005.31. The institution must also follow
 248 the commission's requirements for orderly closing, including
 249 provisions for trainout or refunds and arranging for the proper
 250 disposition of student and institutional records.

251 Section 7. Subsections (3) and (4) of section 1005.36,
 252 Florida Statutes, are renumbered as subsections (4) and (5),
 253 respectively, and a new subsection (3) is added to that section
 254 to read:

255 1005.36 Institutional closings.—

256 (3) By October 1, 2016, the commission shall establish a
 257 Closed Institution Panel. The panel shall consist of at least
 258 one commission member, one commission staff member, one
 259 accrediting body staff member, and one administrator with
 260 experience managing licensed institutions. The commission shall

261 notify the panel upon the closing of a licensed institution. For
 262 any closure that does not comply with the requirements of
 263 subsection (2), or at the discretion of the commission chair,
 264 the panel shall convene to implement measures to minimize the
 265 academic, logistical, and financial impact on students of the
 266 institution. The panel is authorized to secure student records
 267 and, to the extent possible, maintain the educational programs
 268 at the institution for at least 30 days after it receives
 269 notification that the institution is closing to assist each
 270 student with completion of his or her educational program. The
 271 panel's activities shall be conducted at the expense of the
 272 institution that is closing.

273 Section 8. Section 1005.37, Florida Statutes, is amended
 274 to read:

275 1005.37 Student Protection Fund.—

276 (1) The commission shall establish and administer a
 277 statewide, fee-supported financial program through which funds
 278 will be available to complete the training of a student who
 279 enrolls in a licensed institution ~~nonpublic school~~ that
 280 terminates a program or ceases operation before the student has
 281 completed his or her program of study. The financial program is
 282 named the Student Protection Fund.

283 (2) The commission is authorized to assess a fee from the
 284 licensed institutions ~~schools~~ within its jurisdiction for such
 285 purpose. The commission shall assess a licensed institution
 286 ~~school~~ an additional fee for its eligibility for the Student

287 Protection Fund. Fees to support the fund shall be determined
288 annually by the commission; however, if the fund balance exceeds
289 \$5 million on November 1 of any year, the fees may not be
290 collected in the next calendar year.

291 (3) If a licensed institution ~~school~~ terminates a program
292 before all students complete it, the commission shall also
293 assess that institution ~~school~~ a fee adequate to pay the full
294 cost to the Student Protection Fund of completing the training
295 of students.

296 (4) The fund shall consist entirely of fees assessed to
297 licensed institutions ~~schools~~ and shall not be funded under any
298 circumstances by public funds, nor shall the commission make
299 payments or be obligated to make payments in excess of the
300 assessments actually received from licensed institutions ~~schools~~
301 and deposited in the Institutional Assessment Trust Fund to the
302 credit of the Student Protection Fund.

303 (5) At each commission meeting, the commission shall
304 consider the need for and shall make required assessments, shall
305 review the collection status of unpaid assessments and take all
306 necessary steps to collect them, and shall review all moneys in
307 the fund and expenses incurred since the last reporting period.
308 This review must include administrative expenses, moneys
309 received, and payments made to students or to lending
310 institutions.

311 (6) Staff of the commission must immediately inform the
312 commission upon learning of the closing of a licensed

313 institution ~~school~~ or the termination of a program that could
 314 expose the fund to liability.

315 (7) The Student Protection Fund must be actuarially sound,
 316 periodically audited by the Auditor General in connection with
 317 his or her audit of the Department of Education, and reviewed to
 318 determine if additional fees must be charged to licensed
 319 institutions ~~schools~~ eligible to participate in the fund.

320 Section 9. Subsections (1), (3), and (4) of section
 321 1005.39, Florida Statutes, are amended to read:

322 1005.39 Continuing education and training for
 323 administrators and faculty.—

324 (1) The commission shall determine whether ~~is authorized~~
 325 ~~to ensure that~~ the administrators of licensed institutions are
 326 qualified to conduct the operations of their respective
 327 positions and ~~to~~ require such administrators and faculty to
 328 receive continuing education and training as adopted by rule of
 329 the commission. The positions for which the commission must ~~may~~
 330 review qualifications and require continuing education and
 331 training may include the positions of chief administrator or
 332 officer, chief campus officer, director of education or
 333 training, placement director, admissions director, and financial
 334 aid director and faculty members. By July 1, 2017, and annually
 335 thereafter, the commission must verify that all administrators
 336 subject to continuing education requirements have completed
 337 training on state and federal laws and regulations specifically
 338 pertaining to the operation of nonpublic postsecondary

339 institutions.

340 (3) The commission shall adopt general qualifications for
 341 each of the respective positions and establish guidelines for
 342 the minimum amount and type of continuing education and training
 343 to be required. The continuing education and training may be
 344 provided by the commission, appropriate state or federal
 345 agencies, or professional organizations familiar with the
 346 requirements of the particular administrative positions.

347 Continuing education may also be provided by licensed
 348 institutions upon approval of the commission. The actual
 349 curricula should be left to the discretion of those agencies,
 350 ~~and organizations,~~ and, if approved, licensed institutions.

351 (4) Evidence of administrator ~~the administrator's~~ and
 352 faculty ~~member's~~ compliance with the continuing education and
 353 training requirements established by the commission must ~~may~~ be
 354 included in the initial and renewal application forms provided
 355 to ~~by~~ the commission. Actual records of the continuing education
 356 and training received by administrators and faculty shall be
 357 maintained at the institution and available for inspection at
 358 all times.

359 Section 10. This act shall take effect July 1, 2016.