

UH System Recommendations to Campuses Regarding State Authorization Federal Regulations that became effective July 1, 2020

The Department of Education developed Federal regulations for state authorization of distance education to ensure that institutions are complying with state laws in the states in which the institution is disbursing federal financial aid. New state authorization regulations became effective July 1, 2020 and are associated with existing regulations pertaining to disclosures to students who are in academic programs that lead to professional licensure (see [attached summary of new and updated rules](#)).

Relevant Regulations:

- 34 CFR 600.2 – Definitions
- 34 CFR 600.9 – State Authorization
- 34 CFR 668.43 – Institutional Information (includes Professional Licensure Disclosures)
- 34 CFR 668.50 – Removal of distance education disclosures substituting a severability section

The new regulations require that schools hold authorization in every jurisdiction where state authorization is required and that schools make a number of consumer disclosures, particularly around professional licensure. Through reciprocity, an institution authorized under SARA criteria in its home state would be considered authorized in all other SARA states. Currently, 49 states, including the U.S. Virgin Islands, the District of Columbia, and Puerto Rico are members of SARA. California is not a SARA member. However, public institutions are not regulated by the Bureau for Private Postsecondary Education and are able to offer distance education to California residents. American Samoa, Guam, and Northern Mariana Islands are not members of SARA. See the [NC-SARA website](#) for current information. Under SARA, institutions are required to track and report on the states in which students engage in educational activities.

Recommendations to UH Campuses for Meeting the State Authorization Regulations that became effective July 1, 2020:

1. Definitions § 600.2 – State Authorization Reciprocity Agreement

Recommendation: UH campuses that offer distance education programs should become members of SARA. Institutions that are not members of SARA must find alternative ways to meet the state authorization requirements and obtain individual reciprocity agreements with other states.

2. State Authorization § 600.9(c)(1)(i) – Student Location and Determinations of a Student’s Location

Recommendation: The following definition for location should be used by all UH campuses:

Location: A student's location shall be defined as the place in which a student is currently living (e.g. current address) at the time of enrollment in a professional or occupational licensure or certification program, not the student's state of residency.

Recommendation: If a student changes location to a different state in any period of enrollment, the change in location should be reviewed by a designated campus staff member within 14 days of the location change notification to determine if a direct disclosure communication to the student regarding professional licensure must be sent.

3. State Authorization § 600.9(c)(1)(ii) – Alternative Coverage

Recommendation: Institutions offering distance education programs must be able to document their coverage under any state authorization reciprocity agreement(s), such as NC-SARA. If not participating in NC-SARA, campuses must be able to provide documentation on alternative reciprocity agreements with other states. UH campuses should identify a responsible person for maintaining all relevant information pertaining to state authorization reciprocity.

4. State Authorization § 600.9(c)(2) – Institutional Documentation of Existence of State Complaint Process

Recommendation: UH campuses should put a link on their websites to their campus complaint process regarding academic matters and also list the existence of Hawaii State Complaint Process for issues with distance education courses and programs: <https://cca.hawaii.gov/hpeap/student-complaint-process/>

5. State Authorization § 600.9(c)(2)(ii) – Institutional Policy for Determining a Student's Location

Recommendation: Institutions are required to determine the states in which its students and prospective students are located for the purpose of disclosing state-specific professional licensure information. For new students, the disclosure must be sent directly to the students before the student makes a financial commitment to enroll in the program. UH campuses should document its policies and procedures for determining a student's location at time of initial enrollment. A consistent application of these policies and procedures regarding student location to all students, including students enrolled in face-to-face programs. The campus should identify in its procedures what office/department has the responsibility for sending direct disclosures to students before they enroll in an academic program that leads to professional licensure or certification.

6. State Authorization § 600.9(c)(2)(iii) – Institutional Policy for Determining a Student's Location has Changed

Recommendation: Institutions must establish a written process to determine a student's location at the time an existing student notifies the institution of a change of address for purposes of issuing the required disclosures. To determine when a student's location has changed, UH campuses should use the new ***Physical Address*** section that will be added to the Student Record Update Form by November 1, 2020 and a report that will be created to identify students whose physical address state has changed. On the Student Record Update form, students will be asked if their physical location address is the same as their mailing address. If they check, "Yes," then there is no change because the absence of a CU address means their physical = mailing. If they check "No," they must enter their physical address. If they are homeless, they can check the radio button which will then only require that they enter city, state and zip code. For homeless students who check the radio button, a CU address record will be created in Banner with City, State and Zip Code provided by the student and "No Physical Street Address" will be inserted in the address line 1 field.

Recommendation: UH campuses should document policies and procedures for determining that a student's location has changed based on the above UH System solution. This method of determining that a student's location has changed should be included in the required campus policies and procedures. A consistent application of these policies and procedures regarding student location to all students, including students enrolled in face-to-face programs. The campus should identify in its procedures what office/department has the responsibility for sending disclosures to students enrolled in an academic program that leads to professional licensure or certification whose location has changed. Policies and procedures should be created to comply with the regulatory timeframe for notifications to students. Note the disclosure must be sent within 14 days of when the institution was notified of a change in student's location.

7. Institutional Information § 668.43(a)(5)(v) – General Disclosure of Whether Program Meets Licensure or Certification Requirements

Recommendation: Institutions must establish a written process to determine a student's location at the time a prospective student seeks information about an academic program leading to professional licensure, or a student enrolls in, and/or an existing student notifies the institution of a change of address, for purposes of issuing the required disclosures under the rules as to whether the institution's academic program, regardless of modality, fulfills the professional licensure requirements of states in which the prospective student or enrolled student is located. Any reference to professional licensure by any UH campus should include professional or occupational licensure programs as well as certification programs. This written process should include, at minimum, the following:

- A written process as to how a student's location is determined;

- A documented change of address process for currently enrolled students and timeframe for disclosing any academic program requirement changes if a student has moved to a different state; and
- A consistent application of these policies and procedures regarding student location to all students, including students enrolled in face-to-face programs.

Recommendation: Each campus should identify in its disclosures about academic program professional licensure or certification:

1. the states for which the institution has determined that its curriculum meets the state educational requirements for licensure or certification;
2. the states for which the institution has determined that its curriculum does not meet the state educational requirements for licensure or certification; and
3. the states for which the institution has not made a determination that its curriculum meets the state educational requirements for licensure or certification.

Example: The curriculum in this academic program meets the requirements for certification in the state of Hawai'i. Whether or not the curriculum meets the requirements for licensure in any other state has not been determined. Students who seek licensure in a state other than Hawai'i are encouraged to contact the licensing or certification authority in their state for more information.

8. Institutional Information § 668.43(a)(11) – Transfer Credit Policy

Recommendation: New in these requirements, the disclosure of any types of institutions from which the institution will not accept transfer credits must be listed in the campus's transfer credit policy. Institutions are now also required to disclose any written criteria used to evaluate and award credit for prior learning experience. UH campuses should confirm they have an active link and/or section on its web page explaining its transfer credit policy and that these new inclusions are part of its policy.

9. Institutional Information § 668.43(a)(12) – General Disclosure of Third-Party Educational Services

Recommendation: This requirement is not applicable unless a UH campus contracts with a third-party educational service to provide all or part of an academic program. If there are any written agreements with third-party entities to provide all or part of a program, this information must be disclosed to students by including information specifically in the academic program description.

10. Institutional Information § 668.43(a)(13-20) – Additional General Disclosures

Recommendation: The new required disclosures in this section are not applicable to UH campuses - 1) in instances where the institution's accreditor imposes a requirement to maintain a teach out plan, notice of the fact and the reasons the requirement was imploded; and 2) in instances where state or federal enforcement action or prosecution is brought against the institution that could result in accrediting agency adverse action against the institution, revocation of state authorization, or Title IV eligibility limitation, suspension, or termination, notice of that fact.) Campuses should already be meeting the existing disclosure requirements (UH System IRAPO also does some of them for UH campuses); however, a double check of the list of disclosures in this section of the attached summary for confirmation of compliance is recommended.

11. Institutional Information § 668.43(c) – Licensure Requirement Direct Disclosures

Recommendation: Each UH campus should make sure it is providing this direct disclosure as applicable (see #7 above) and include a sample of its direct disclosures to current and prospective students in its policies and procedures documentation. See Institutional Information § 668.43(c) regulation for details.

12. Institutional Disclosure for Distance or Correspondence Programs § 668.50 – Professional Licensure

Recommendation: Disclosures that previously only applied to distance education are now replaced with a requirement that applies to all programs that lead to licensure or certification regardless of the delivery modality of those programs. These regulations are now included in § 668.43, which apply to all institutions and programs. Therefore, separate requirements for institutional disclosure for distance or correspondence programs are no longer applicable, provided all other professional licensure disclosures described above are met regardless of the delivery modality of those programs.