

Legislative History for Connecticut Act

SA 14-11

HB5361

House	2830-2835	6
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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2014**

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If all members have voted, the machine will be locked and the Clerk will take a tally.

Will the Clerk please announce the tally?

THE CLERK:

House Bill 5375 as amended by House "A."

Total number voting 143

Necessary for passage 72

Those voting Yea 143

Those voting Nay 0

Those absent and not voting 8

DEPUTY SPEAKER MILLER:

The bill as amended is passed.

Will the Clerk please call Calendar Number 156?

THE CLERK

On page 41, House Calendar 156, favorable report of the joint standing committee on Appropriations, substitute House Bill 5361, AN ACT CONCERNING A PLAN FOR PARTICIPATION IN A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS.

DEPUTY SPEAKER MILLER:

Representative Willis.

REP. WILLIS (64th):

Madam Speaker, thank you.

I move acceptance of the joint committee's

favorable report and passage of the bill.

DEPUTY SPEAKER MILLER:

The question is acceptance of the joint committee's favorable report and passage of the bill.

Representative Willis, you have the floor, madam.

REP. WILLIS (64th):

Thank you very much, madam.

This bill will begin the process by developing a plan for Connecticut to be part of the State Authorization Reciprocity Agreement known as SARA. In order for there to be a uniform standard for online learning programs to expand educational opportunities to earn a college degree, this will make it easier for students to take online courses in institutions based in another state. It will broaden offerings for students and lower their costs.

Madam Speaker, the Clerk has an amendment, LCO 3329. I move the reading of the amendment be waived and I be allowed to summarize.

DEPUTY SPEAKER MILLER:

Will the Clerk please call LCO 3329, which will be designated House Amendment Schedule "A."

THE CLERK:

House Amendment Schedule "A." LCO 3329, as

introduced by Representative Willis.

DEPUTY SPEAKER MILLER:

The Representative seeks leave of the Chamber to summarize the amendment. Is there objection to summarization? Is there objection? Hearing none, Representative Willis, you may proceed with summarization, madam.

REP. WILLIS (64th):

Thank you very much, Madam Speaker.

This amendment would require the Office of Higher Education to develop a plan to enter into a multi-state or regional reciprocity agreement to establish uniform standards for distance learning programs across all states. Participation in this agreement would be entirely voluntary by the states and require Legislative approval.

Members of the SARA are states, not institutions, or students. Presently private and public institutions of higher education offering online distance programs for students in other states, must seek this approval state by state, in each of the 50 states. This is a laborious and costly process as they navigate bureaucratic mazes since no two states are alike and in some cases they have to work through

different agencies in the same state.

Colleges must invest time and money in this convoluted system. The present system does not benefit students, or institutions. But a Connecticut plan developed with the input of the Connecticut Office of Higher Education, is necessary to ensure that we have quality programs and there is consumer protections in place for students.

Participation in SARA would increase access through online courses, expand offerings and lower the cost of obtaining a degree. Madam, I move adoption.

DEPUTY SPEAKER MILLER:

The question before the Chamber is on adoption of House Amendment Schedule "A."

Will you remark on the amendment?

Representative LeGeyt.

REP. LEGEYT (17th):

Thank you, Madam Speaker. Good afternoon.

DEPUTY SPEAKER MILLER:

Good afternoon, sir.

REP. LEGEYT (17th):

Madam Speaker, I rise today to encourage my colleagues to support this amendment and want to recognize as the Chairperson of the Higher Ed

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Committee has said, that in trying to standardize and make seamless a reciprocity agreement for Connecticut with other states, we need to study it, we need to develop a plan before we can implement it and this amendment would give us that intermediate step so that everything is considered and we don't step too quickly and make mistakes in putting this important legislation together. So I encourage my colleagues to support this amendment. Thank you, Madam Speaker.

DEPUTY SPEAKER MILLER:

Thank you, sir.

Will you remark further? Will you remark further on the amendment before us?

If not, let me try your minds. All those in favor, please signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER MILLER:

All those opposed, nay.

The ayes have it.

The amendment is adopted.

Will you remark further on the bill as amended?

Will you remark further on the bill amended?

If not, will staff and guests please come to the

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well of the House? Will the members please take your seats? The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

Members to the chamber please. The House of Representatives is voting by roll. Members to the chamber please?

DEPUTY SPEAKER MILLER:

Have all members voted? Have all members voted? Have all members voted? Have all members voted? Will the members please check the board to determine if your vote is properly cast?

If all members have voted, the machine will be locked and the Clerk will take a tally.

Will the Clerk please announce the tally?

THE CLERK:

House Bill 5361 as amended by House "A."

Total number voting	144
Necessary for passage	73
Those voting Yea	144
Those voting Nay	0
Those absent and not voting	7

DEPUTY SPEAKER MILLER:

The bill as amended is passed.

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Calendar page 22, Calendar 515, House Bill Number 5361, move to place on the Consent Calendar.

Also, Madam President, under Matters Returned from Committee, Calendar page 39, Calendar 265, -- pardon me. We've taken action on that one already.

Calendar page -- back on Calendar page 6, Madam President, under Favorable Reports, Calendar page 6, Calendar 331, House Bill Number 5248, move to place on the Consent Calendar.

Also, Madam President, Calendar page 24, Calendar 526, House Bill number 5556. Move to place on the Consent Calendar.

In addition, Madam President, under Favorable Reports, Calendar page 27, Calendar 546, House Bill Number 5061, move to place on the Consent Calendar.

Calendar page 30, Calendar 563, House Bill Number 5554, move to place on the Consent Calendar. It may have been placed there earlier, Madam President.

THE CHAIR:

It has been.

SENATOR LOONEY:

Also Madam President, Calendar page 27, Calendar 543, House Bill Number 5037, move to place this item on the Consent Calendar.

Also under Favorable Reports, Madam President, Calendar page 18, Calendar 470, House Bill Number 5506, move to place on the Consent Calendar.

And back on Calendar page 10, Madam President, Calendar 396, Senate Bill Number 114, move to place on the Consent Calendar.

In addition, Madam President -- in addition, Madam President, I have a couple of items to mark as go.

Madam President, items to be marked go, Calendar page 333, page 33, Calendar 579, House Bill 5348. And

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And on page 22 Calendar 513, House Bill 5353.
Calendar 515, House Bill 5361.

And on page 24, Calendar 526, House Bill 5556.
Calendar 524, House Bill 5219.

Page 25, Calendar 4 -- sorry, Calendar 530, House Bill 5368,
page 27, Calendar 546, House Bill 5061.
Calendar 543, House Bill 5037.

On page 28, Calendar 550, House Bill 5514.

Page 29, Calendar 554, House Bill 5148.

Page 30, Calendar 563, House Bill 5554.

Page 31, Calendar 567, House Bill 5229. Calendar 565,
House Bill 5028.

And on page 42, Calendar 384, Senate Bill 442.

THE CHAIR:

Senator Looney, do you have any more good news for us?

SENATOR LOONEY:

Yes, thank you, Madam President. One additional item
to add before we call for the actual vote on the
Consent Calendar, and that is item an Calendar page
33, Calendar 575, House Bill 5359. With that one
addition it would call for a vote on the Consent
Calendar.

THE CHAIR:

Mr. Clerk, please call for a vote on the Consent
Calendar, and the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call on the second Consent Calendar
today has been ordered in the Senate.

THE CHAIR:

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If all members have voted? All membered voted, the machine will be closed. Mr. Clerk, will you please call the tally.

THE CLERK:

On the second Consent Calendar for today.

Total number voting	35
Those voting Yea	35
Those voting Nay	0
Absent not voting	1

THE CHAIR:

Consent Calendar passes. Senator Looney.

SENATOR LOONEY:

Thank you, Madam President. If the Clerk would call the first item marked go to follow the Consent Calendar.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 33, Calendar 579, Substitute for House Bill Number 5348, AN ACT CONCERNING THE PAYMENT OF DELINQUENT PROPERTY TAXES. Favorable Report of the Committee on Planning and Development.

THE CHAIR:

Senator Kelly.

SENATOR KELLY:

Thank you. Thank you, Madam President. Pursuant to Rule 15 of the Joint Rules, I am recusing myself from consideration of this bill.

THE CHAIR:

Thank you, sir. Please leave the Chamber.

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back here not long thereafter to expand some of those roles that were specifically excluded at the beginning when this was -- and got a buy in more unanimously. If they knew maybe in advance that that would change, that model, maybe there wouldn't be as much support at the beginning. And that's just, just a reflection and some comments that you can take back with you. Thank you.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you. And I'm sure we'll have further conversations about how to skin this cat.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you.

ERNESTINE WEAVER: Thank you very much.

REP. WILLIS: Next is Jane Ciarleglio.

JANE CIARLEGLIO: Good morning.

REP. WILLIS: Good morning, Jane. It's always such a pleasure to see you.

JANE CIARLEGLIO: Oh, my goodness, it's continuing.

REP. WILLIS: Of course, we haven't heard what you have to say yet, so, we'll see.

JANE CIARLEGLIO: Good morning. I have with me Pat Santora who is the Director of Academic Affairs for our office.

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Senator Cassano, Representative Willis, Senator Boucher, Representative LeGeyt and distinguished members of the Higher Education

and Employment Advancement Committee, thank you for the opportunity to offer testimony this morning. I'd like to speak with you about House Bill 5361, An Act Concerning State Authorization Reciprocity Agreement Regarding Distance Learning Programs. This bill would authorize the Office of Higher Education to participate in the nationwide reciprocity initiative. The initiative will allow institutions of higher education from across the country to offer online programming in Connecticut without participating in our state's approval process, which exists to ensure the minimum academic standards are in place for all of Connecticut students.

Let me say in the onset, I don't think an agreement of this sort is a bad idea. It's the details of the current SARA agreement that we have issues with and that I would like to just briefly touch on some of them.

As required by statute, our agency is dedicated to promoting the highest standards for academic quality and ensuring consumer protection for all students in Connecticut. Colleges and universities in our state benefit from some of the most rigorous standards in the nation and, as a consequence, enjoy a reputation for academic excellence that serves to attract the best and the brightest students, faculty, and researchers to our state. The economy and culture of Connecticut has reaped the benefits. Any proposal that compromises the academic quality of instruction or limits student protections, regardless of the conveniences that it may offer to certain institutions, is simply bad public policy.

Our office is concerned that the reciprocity initiative in its current form would jeopardize

the quality of higher education in our state, weaken student protections, and expose institutions of higher education to greater competition from a shrinking pool of Connecticut students.

First, let me speak to the issue of the threat to our academic quality. As I noted earlier, this bill eliminates State assessment of the academic quality of our out-of-state online programs offered to Connecticut residents. This would result in a two-tiered system within our state, one system for institutions that are on ground with little or no standards to offer online instruction at discount prices and another system for Connecticut institutions whose students benefit from our higher standards and greater protections.

Under the agreement, online programs would receive the same authorizations by our office as those programs offered by in-state institutions. Even though the online programs may fail to meet our State standards, they will be granted State authorization through the agreement. Students, unfortunately, may be more likely to enroll in such programs if they are under the false impression that the State has taken steps to ensure the programming meets Connecticut licensure requirements, for example, for professional practitioners or allow the transfer of credits to our State institutions. In this case, students stand to lose the State guarantee of academic quality as well as their money and time.

The bill's assurance of academic quality rests solely upon institution accreditation, whether national or regional. This creates, again, several problems. First, Connecticut does not permit nationally-accredited institutions to

operate in our state because national accreditation standards are generally less -- sorry -- rigorous than regional accreditation standards. Credits earned from nationally-accredited institutions may not transfer into regionally accredited institutions.

Second, the proposed reciprocity agreement rests solely upon institutional accreditation which is a multi-year process focused on self-improvement. This process is far different from review and accreditation and licensure of individual programs which the State performs. Without programmatic assessment, there's no way to ensure Connecticut students that the programs they enroll in meet the myriad of different requirements for professional licensure.

Finally, accrediting bodies are not permitted to disclose certain findings that would reveal problems at the program level. This leaves everyone -- students, faculty, administrators, and the public -- in the dark about potential programmatic weaknesses such as insufficient resources or faculty qualifications, and further hinders transfer. I'm sure, in short, that you would agree lowering academic standards is not the best way to increase access to higher education in our state.

The bill also contains a definition of physical presence. It appears that among the New England states, no one shares that same definition of physical presence. We believe such changes to the definition would provide too many loopholes for out-of-state institutions, allowing them to offer instruction in the state without meeting the same standards and providing the same

protections as their Connecticut counterparts.

More troubling still, the obligations imposed upon the Office of Higher Education by the proposed bills raises serious legal questions. Despite its statutory obligation, the State could not address the complaints of Connecticut residents enrolled in out-of-state programs through the agreement. We strongly believe that all of Connecticut students deserve the same protections.

Further, opening crowded higher education market for both profit and nonprofit institutions that are not held to any academic standards, we run the risk of placing at a competitive disadvantage our own colleges and universities that invest heavily in quality education programs. We are proud of Connecticut academic reputations for our Connecticut institutions of higher education and should not jeopardize their ability to attract and retain state students by enticing institutions of lesser quality into Connecticut, all for the sake of reducing the costs and administrative burdens of offering distance education elsewhere.

Let me add that despite many program problems proposed by this legislation, the idea of a reciprocity agreement for the purposes of State authorization is worthy of consideration. At the very least, State regulators who are objective experts in the field and are uniquely able to see the entire higher education landscape, should be a party to the development of the agreement that they are ultimately responsible for overseeing. We believe that by continuing our discussion with other states and all interested parties, we will reach a consensus that will benefit all Connecticut

colleges and universities and allow for more rigorous quality assurance and student protection measures.

I've attached to my testimony a letter that we have sent to NEBHE, the state of Massachusetts and Connecticut, detailing some of our concerns. And thank you for your time and I look forward to answering any questions that you may have.

REP. WILLIS: Thank you, Jane.

Questions or comments from members of the Committee?

Obviously, I think maybe after we have the other testimony from Ed at Charter Oak, Klonoski, and NEBHE, I think that will generate more questions on this. Obviously, this is something that we need to ensure that there's protections and high-quality programs in place for Connecticut students. I'm just wondering, are your objections that there's just not enough in this proposal, protections in place, that you wouldn't have a problem with it if it was more -- there were more protections in place?

JANE CIARLEGLIO: My job is to connect -- to protect Connecticut students. Again, you know, there is no question that this is a problem and it's a problem I think that the Federal government has sort of not addressed. If we can have an intrastate trucking agreement, I don't know why we couldn't have something with one set of standards for everybody. So that something like this needs to be in place, I don't think there is a question about that, but for us to allow institutions that are outside Connecticut with less rigorous academic standards to come

into this state, in essence, I don't think the public understands the difference and I think that our standards should be the minimum standards or, at the very least, we should have a regulator who, who looks at all the academic quality to sit and be part of this agreement.

I understand why institutions want this. I understand why Charter Oak wants it. I don't blame them at all. But that's -- the different view that I have is the protection of the students, not necessarily the different institutions. And, again, I think we can, we can certainly get there, but I think we have to have a bigger voice at the table of the actual agreement.

REP. WILLIS: I think all of us -- beyond the institutions, it's really the needs of the students and ensuring that they get a good quality education that they can use. And, you know, as you know, this Committee has grappled, as you have as well when it was the Department of Higher Education, the issue of institutions coming in or being here and asking to grant degrees with titles when, in fact, that's not what students were getting.

JANE CIARLEGLIO: Exactly.

REP. WILLIS: And we stopped those in their tracks, and with good reason. But some of this, for instance, advertising restrictions, that sort of goes back to what I was just saying about issuing degrees, calling yourself a college or identifying yourself as a university. You know, those are all things that we need to be very cognizant about. Obviously, this is the way of the future, you know.

JANE CIARLEGLIO: Absolutely.

REP. WILLIS: Everybody is going into online learning, from the University of Connecticut looking at it to our publics, and we need to do more with Charter Oak in Connecticut to have them spread beyond, beyond our borders as well, so --

JANE CIARLEGLIO: And our institutions -- our institutions do have very rigorous academic standards and they spend time and money and effort to -- when they get licensed because they all do get licensed. It's not -- I'm not worried about the product that they produce and put online because they're, they're fine. But it's those students that -- in Connecticut that may not understand the difference, and those are the people that I think are not really protected as well as they should be under the agreement.

REP. WILLIS: Obviously, this conversation will be continuing.

JANE CIARLEGLIO: Yep.

REP. WILLIS: I'd like to call Dr. Torres up.

JANE CIARLEGLIO: Okay.

NIVEA TORRES: Good afternoon.

REP. WILLIS: Good afternoon. Nice to see you.

NIVEA TORRES: (Inaudible). Nice to see you, Madam Chair. And good afternoon to the distinguished members of the Higher Education and Employment Advancement Committee. I am here offering a testimony on my behalf and also of my colleague, Gail Coppage, who is not here today from the Board of Regents.

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and our students -- your students be successful. And this is a great endeavor, and the Norwalk model is certainly something we need to look at more carefully. And it needs resources, we need to have that conversation.

NIVEA TORRES: Thank you, Madam Chair, and thank you to the Committee for your support. Thank you.

REP. WILLIS: You're welcome. Thank you.

I am now going to call Dr. Marsha Ham, University of New Haven. And then we'll go back to the agency list and Ed Klonoski will follow her.

DR. MARSHA HAM: Good afternoon, Madam Chair, and members of the Committee. I appreciate the opportunity to provide testimony today. On behalf of the University of New Haven and the distance learning students that we currently serve and look forward to serving, I am submitting testimony about H.B. 5361, the Act Concerning State Authorization Reciprocity.

The University of New Haven fully endorses H.B. 5361 which will permit the University and other higher education institutions in the state to participate in the State Authorization Reciprocity Agreement, better known as SARA. Over the -- a little over three years ago, University of New Haven made the strategic decision to begin developing totally online programs as a way to extend the opportunity to participate in the quality of a UNH degree to a new audience of students who cannot come to campus due to life circumstances.

In the Fall of 2012, with the approval of the State Office of Higher Education and the New England Association of Schools and Colleges,

NEASC, the University introduced the MS in criminal justice for which we are well known as its first online program. With the introduction of the online MSCJ, the University began the process of seeking State authorization from each of the 50 states and territory to serve distance students. What we found was a convoluted maze of State requirements with no two states alike and in some cases of having to work through two different agencies within the same state. We were also -- we were among hundreds of other institutions who were also vying for -- at the attention of each agency and each state. With tenacity and perseverance, we finally managed to get exempt or authorized for our -- to offer our first online degree in all 50 states.

With the introduction of our second online degree in the Fall of 2013, we had to update our State authorization in all states. To date, the University has invested almost \$20,000 for two online programs for the right to serve distance learning students regardless where they live. That amount will continue to grow significantly as the number of online programs and the numbers of students continue to increase.

Why did the University of New Haven decide to invest time and money to get exempt or authorized in every state? We did it for the students who may ultimately decide that they want the quality of the UNH degree despite the fact that they cannot come to the West Haven campus to study. We did not want to be in the position to tell even one student that we could not accept them because we were not approved by their home state to serve them. But there is a better way, and that better way is through SARA, the State Authorization Reciprocity

Agreements. The SARA process has the potential to drastically improve the process of attaining State authorizations by creating appropriately reasonable and necessary standards of practice across states which enable states to focus more effectively on the higher institutions within their state with regards to the quality of offering and of student service.

Ultimately, SARA will create a less costly endeavor and investments for states and institutions to better serve students at a distance. The benefits to the students are important as a part of this decision-making process. SARA will expand access to a wide array of high-quality distanced based educational offerings, lead to better resolution of complaints from students in SARA states, reduce the growing authorization costs that ultimately get passed along to the students, and should enhance the overall quality of distance education programs. If the Connecticut Legislature approves H.B. 5361, which I sincerely hope it does, I can assure you that the University of New Haven will be at the head of the queue at the New England Board of Higher Education to apply to participate in the SARA process.

Thank you for considering my testimony.

REP. WILLIS: Thank you. Just one question that I have, and then I'll turn it over to Committee members if they have questions.

Obviously when you open up to online learning and you do -- we do the State authorization across all or whoever is participating, do you worry or are you concerned that there could be other institutions offering your criminal justice program, but it's not the same quality

as your -- I mean, is that an issue for you? I mean, you, you know, the University of New Haven is known for that program.

DR. MARSHA HAM: Yes.

REP. WILLIS: Okay. So, are you concerned about other institutions being able to offer that to students, to Connecticut students?

DR. MARSHA HAM: No, we're not, and the reason we're not is because we have the reputation to support the program. If there's a choice between another program and our program, residents of the state of Connecticut would absolutely choose ours, say, over one that might be from another state outside. The other side of that coin is that we are better able, then, to provide the quality of that program to students outside of Connecticut who want to participate. I think there are two sides of this coin that you have to be aware of. It's not only the students in the state of Connecticut, but it's those who are outside who want the quality of what we have.

I think it's about, you know, quality definitely in terms of the programs that you provide. The real point is you rise above, like cream rises to the surface, when you have quality programs. And students are very astute when they're shopping for an online degree. They look at what the parameters are. They look at the reputation of the institution. They look at who the faculty are. They look at the experience of those faculty. So, these are educated consumers. These are not your 18 to 22 year olds, for the most part. This is an audience of students who are working adults and cannot go back to complete their educational goals and, so, they're shopping as wise

consumers do to find the best opportunity to obtain the degree that they want. And it's not necessarily about price. It's not about how quickly you get through. It really is about the quality of the program, and that's what we promote. And we think that anyone who has developed quality standards in offering distance learning programs, that's what they're about, and that's what they advertise. That's what they promote. That's the way they serve the students in that regard at a high quality level.

So, from that aspect, we're not worried about the competition because we think that we're strong in the sense of what we do, and we will be with each program. We won't go out with every program that the University of New Haven offers. It's just not feasible, number one, and number two, there is not an audience out there. So, we're going to pick the ones that we're really well known for where there is an audience of potential students based on market research that we have done to determine that there is a desire for that program to be available. And, yes, there will be competition, but you practice your good purposes of creating quality within your program and it stands above those who may come in and try and slip in and say, "We're a good bargain, we'll get you through quicker, send us a check and we'll give you a degree." Those folks are not going to survive in this. The consumers are getting to be where they're very, very sophisticated in terms of what they want because online has become a way of life now. It's not just an education. It's everywhere.

REP. WILLIS: Thank you.

Questions or comments from members of the

Committee? Yes, Representative Ackert.

REP. ACKERT: Thank you, Madam Chair. And thank you for your testimony.

But, you did hit -- it could be comments, you know, start to have me think about -- you said those, like for the nonquality or, let's say, the people that get in for the buck, the colleges that get in for a buck. We've dealt with this in this state where programs, you know, are -- also disappear and some students, they didn't complete their program and the states had to help and step in and help. So, I do get a concern when I hear about online courses getting started and reciprocal value of them. And obviously we know your -- the caliber that you have, but it's the ones that start up to make the buck and then, you know, that quality isn't there. But that individual needs that criteria to keep their job or to move forward. So, you made some very good points and I just -- how do we address those that don't have the quality of some of our great institutions in Connecticut?

DR. MARSHA HAM: Well, I think it is a question of managing the quality in that sense. And part of the process that's in place here is we have to be regionally accredited and there are pressures upon each of the national regional accrediting boards to pay attention to what's happening in the distance learning online marketplace within their institution. The Department of Education came up and woke up that big bear about two years ago. So, every one of the regional accreditors now are very, very focused on what's happening with the distance learning programs that are within their purview of institutions. And I think that's where the reciprocity comes in.

I will tell you, I used to be at Ohio University in Ohio in Athens and I was a regional accrediting representative for the Higher Learning Commission, and specifically for distance learning. And we went in and we looked very closely at each one of these programs that we're soliciting approval to offer online programs and also for reaccreditation of online programs. And quite honestly, we would recommend those that weren't ready that couldn't do it. So, I think that the reciprocity that comes in here is a matter of allowing each one of the regional accreditors to do their job in terms of determining what those institutions that are under their purview are producing. They're after the same people that you're talking about that you don't want out there, they don't want them out there either.

So, I think that as this process develops that that's what you're going to find, is that those institutions cannot survive in this environment because of all the different pieces that are being put in place as a result of reciprocity to either demand that they raise the level or get out. And I think those of us that are providing real high quality, you know, online learning programs are going to come out. We're going to benefit because I think it's two sides. Yes, we want to protect the students that are in the state of Connecticut, but there's a whole audience of people that are outside the state of Connecticut that want to participate in programs that we have, just like there are students outside of every other state that want to participate in other states' programs. And I think you're limiting their ability to do that unless something like the reciprocity agreements actually take effect.

This bill actually just offers us the opportunity as an institution to participate. We have to go to the New England Board of Higher Education and apply to participate and meet their standards. So, all you're doing right here is giving me permission, the University of Arizona -- Arizona, I went there, too, sorry -- the University of New Haven the opportunity to apply and meet those standards because you're not going to get it if you don't meet those standards. And, so, I think that that's part of what's developing here and it's a new way of thinking about it. We can't think in terms of protecting this in the sake -- for the sense of just protectionism. You've got to think of the greater good. And because the online world is ubiquitous now, that everybody can get there, everybody wants to get there, it's opened up a new doorway for people to succeed in their educational goals that they never had before.

Yes, we want quality, absolutely we want quality. And I think that the regional accrediting institutions are responsible not only within their organizations, but also to the Department of Education to meet and make sure those standards are met. We're held to higher actual -- higher level of scrutiny in a distance learning environment than the on-ground programs are in a lot of ways. And I think that because of that, we have to meet those standards and assure that the learning is taking place, that we have learning objectives, that we can assess what we're doing, that we can prove that they're learning. And if these institutions can't do that, they're not going to make it. They're not going to be out there.

REP. ACKERT: Thank you. Thank you for your answer.

And thank you, Madam Chairman.

REP. WILLIS: Thank you.

Thank you. Thank you very much for coming here.

DR. MARSHA HAM: Thank you.

REP. WILLIS: Come on down.

ED KLONOSKI: Good afternoon -- or good morning, Chairs Willis and Cassano, Ranking Member LeGeyt, and members of the Committee. My name is Ed Klonoski. I'm the President of Charter Oak State College, the state's only public distance learning institution. Charter Oak is one of the 17 institutions governed by the Board of Regents and I'm here today on behalf of CSCU to testify in support of House Bill 5361, An Act Concerning State Authorization.

Charter Oak has been disadvantaged by the lack of a national reciprocity agreement for years. Currently, any online educational program, regardless of whether it has physical presence in another state, must register in any state or U.S. territory in which it has students. Since approximately 30 percent of Charter Oak students come from other states, we often have all 50 states represented at our June graduation. We have registered in all 50 states for the past several years. This process is expensive, time consuming, and sometimes arbitrary.

Years of working to comply with individual state requirements leads me to no other conclusion. For any online program, a national reciprocity agreement such as the State

Authorization Reciprocity Agreement, otherwise called SARA, offers both a simpler approach to protecting students from inferior service and a higher bar for that service. Now, it is true that Connecticut has both a competent higher education consumer protection service, SOHE, and high standards for the performance of its licensed institutions. So, we're a high performer here in Connecticut. But it is equally true that every online program exports a product and brings revenue back to the state and, as such, has a strong interest in a consistent, efficient, and standardized approach to registering in those other markets.

The nature of this online market is that it is disadvantageous for Connecticut to behave as if it is a special or unique market. For Charter Oak, just like any other institution similar to ours, the market is any student anywhere. So, let me stress the key reasons that I encourage the Legislature to adopt this reciprocity agreement.

First, the status quo is unworkable and restricts the ability of Charter Oak to offer educational opportunities nationwide. Second, no institution in a state that adopts SARA will be forced to participate. All institution participation is optional and the current regulatory structure will remain in place for institutions that do not participate. States join for free, institutions pay a much smaller fee to SARA than they do at individual states. Third, the consumer protection role required by the SARA agreement will be played in Connecticut by OHE which has that role currently. And finally, the SARA standards, while not identical to Connecticut's current standards, are so similar as to guarantee no reduction in quality here at home.

March 4, 2014

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HIGHER EDUCATION AND

11:00 A.M.

EMPLOYMENT ADVANCEMENT COMMITTEE

I have been deeply involved in this concept nationally. I serve as the Chair of the Board of the President's Forum. That's the organization with Lumina funding that created this framework for the SARA agreement, that brought all of the higher education constituent elements to the table. So, we had all the national organizations. We had SOHEs. We had everybody help us make this better. While a new concept for State Legislatures, the concept has become popular in higher education circles, and the regional higher education boards, in our case NEBHE, have signed on to facilitate the SARA process. They're lending legitimacy to this process and it's an important national effort. Just a few days ago, the state of Indiana became the first state to authorize participation in the agreement and this idea is under consideration in other states as we speak.

In conclusion, distance education is not a local industry. By definition, it defies geography, and offers institutions the opportunity to sell their educational products to the world. That means that quality assurance in consumer protection are more critical than ever, but should be just as borderless. SARA accomplishes both of these purposes. It raises the quality bar for many states where that bar is low, and it creates a single national process for registration for those institutions that serve students beyond the physical campus structure.

I'm happy to answer any questions you might have about the inner workings of the agreement. Thank you.

REP. WILLIS: Thank you, Ed. I guess the one thing

that concerns me -- well -- is the consumer protection role that's played by the Office of Higher Ed, and that would still be required under this SARA agreement.

ED KLONOSKI: Yes.

REP. WILLIS: But my question really is, for the agency to take that on nationally, right?

ED KLONOSKI: No, no. What OHE would be responsible for is complaints against Connecticut licensed institutions. So, if Charter Oak messes up a student in Nebraska, that student would complain to OHE and Jane would come see me. The idea here is that OHE, our organization, knows its own institutions best and would be responsible for its institutions' behavior. Now, if a Massachusetts institution has a Connecticut student, that Connecticut student has a grievance, the Connecticut student would complain to the Massachusetts version of OHE -- Richard Freedland -- and Massachusetts would be responsible for disciplining its own institutions. So, the idea here is to build SARA on the backbone of the existing quality infrastructure.

Now, we're at an advantage because Connecticut -- and this shouldn't surprise any of you since you created it -- is a very high quality state on this front. We have great consumer protection and great higher education quality. There are other states that do not. Now, those other institutions in those other states can get authorization to operate in Connecticut now. The problem is that the bar hasn't been raised for them and it hasn't been leveled for the rest of us. So, this does not hurt quality in Connecticut. OHE just serves its current institutional student population

the way it always has, and other states are made to serve their institutional populations at basically the same level Connecticut is serving its.

REP. WILLIS: But doesn't that really put an additional burden on the Office of Higher --

ED KLONOSKI: It might. I can't speak to their work flow issues, and I would be sympathetic if they made a request for more help based on evidence that there's more work, as always. I mean, if the change in the process for me or for them or for anybody brings more work, more good work to the table, then we have to consider how to fund the good work.

REP. WILLIS: Is there any part of this that creates, whether a fee or whatnot, that --

ED KLONOSKI: It reduces those fees. So, in point of fact because we're registered in 50 states, there are some very strange fee structures in those states that we're required to jump through, particularly if you have some version of presence in that state. This really doesn't speak to presence. So, Connecticut does not, to my knowledge, have those fees. So, we don't lose a revenue stream from authorization. Other states do and they're going to resist it for that reason. But, no, this gets cheaper for Charter Oak, not more expensive. And it puts us in a partnership with OHE that we already have a partnership with, and with NEBHE, and we already have a partnership with NEBHE.

REP. WILLIS: I understand that it's, it's easier for you and more economical for you. The question is, is the Office of Higher Ed going to be able to manage the increased work load

and possible cost?

ED KLONOSKI: (Inaudible) speak for Jane, but I have complete confidence that they can. And equally, that if they need additional help, I'll be the first person at the table to help them lobby for it.

REP. WILLIS: Can we get that in writing?

ED KLONOSKI: You got it in writing. I said it on the record.

REP. WILLIS: Okay. Jane has us sending the contract over.

I have no doubt that the bar is high in Connecticut and certainly that's what -- not every state is as tough as Jane. And that's a good thing, you know. Our students, you know, are protected and we just want to -- obviously, as we talked about, this is the new horizon and it is new revenue. I mean, there's a lot of pluses to online learning, but there's also a lot of things that we have to pay attention to in terms of protecting our students and ensuring they get a top-quality education.

ED KLONOSKI: Here's the analogy. So, when the railroad industry got started, the companies that built the first tracks all had their own technical definitions for the size of the gauge and the space of the rails. Then when we needed to create a national railroad industry, there was this conversation, the reciprocity conversation about what was the ideal gauge for the steel and distance for the tracks. And there was somebody at that table who had a standard that was the absolute nth standard. That's probably not the one that got adopted, but a standard had to get adopted or the trains

couldn't flow across the country. We're in the same place today.

It's not about who has the highest standard. It's about how we raise the standard to an acceptable level for all the participants. It's a different conversation, but it's an important one.

REP. WILLIS: The rail debate size is still going on. I'm working on it now, so, we're not past the gauge thing with that. (Inaudible). In this job you learn a multiplicity of topics and it's amazing that you struck another issue for me.

ED KLONOSKI: Sorry about that.

REP. WILLIS: Another question or comment? Yes, Senator Cassano.

SENATOR CASSANO: Yes, thank you for testifying. You indicate that if there is a complaint, let's say it's Nebraska or if you indicated -- and it was Charter Oak, they would complain through Jane's office.

ED KLONOSKI: Yes, they would.

SENATOR CASSANO: If it was somebody from Wallingford, Connecticut taking your course and they had a complaint, who do they complain to?

ED KLONOSKI: Same place, Jane.

SENATOR CASSANO: Same place.

ED KLONOSKI: That's where they complain now.

SENATOR CASSANO: Right. So, we haven't changed the process. All we're doing is expanding the

potential.

ED KLONOSKI: Well, I mean, the reality is that Charter Oak should be responsible for its students wherever they are.

SENATOR CASSANO: Right.

ED KLONOSKI: The problem is that those students in those other places don't have a mechanism that says to them, "Well, if I go to school at Charter Oak, Charter Oak is inside this reciprocity agreement, which means it's in good standing with its OHE and with NEBHE. And, therefore, if I have an issue with this school that's half a country away, I know where to go to get justice." Right now a student in Nebraska doesn't necessarily have that. They can complain to me personally or to the school, but they don't have that stamp that says, "It's not just Charter Oak and Klonoski. It's Charter Oak and Klonoski and OHE and NEBHE, and I'm confident that I can get my situation resolved in that scenario." That's the only way you can have a national institution. You have to have national standards.

SENATOR CASSANO: But we have -- the reputation has been mentioned several times of outstanding quality education. The education is going to be no different from the student in Wallingford or Manchester --

ED KLONOSKI: Correct.

SENATOR CASSANO: -- as to Nebraska or Delaware. It's the same course.

ED KLONOSKI: That's absolutely true, correct. But how that looks to someone who is not a Connecticut resident will be affected by

Charter Oak's participation in a national reciprocity agreement. I mean no offense to the state of Connecticut, but it's not the center of the universe.

SENATOR CASSANO: Exactly.

ED KLONOSKI: And, so, when we market ourselves to folks who have never been here, who don't know anything about us, never met you all, they need something else to measure us against, and a national reciprocity agreement that we are participants in is a wonderful thing on that front.

SENATOR CASSANO: All right, let me go the other way. If I am Steven University in Texas and I just throw something together and it really isn't credible, can they get into the system?

ED KLONOSKI: In theory it could, now today.

SENATOR CASSANO: Today you could --

ED KLONOSKI: They write a letter to Jane and they say, "We'd like to be authorized to provide distance learning in the state of Connecticut."

SENATOR CASSANO: And then we have to authorize it.

ED KLONOSKI: Well, I don't know exactly what the ins and outs of that process, but at the end of the day, yeah. As long as there's no physical presence, we would have no reason not -- we don't get into the quality debate with the 30,000 institutions that aren't licensed in Connecticut. We can't and don't.

SENATOR CASSANO: But if we have a reciprocity agreement --

ED KLONOSKI: Then the assumption would be that that institution in Texas is going through a local review process like I'm going through here with the Texas Review Board and with SREB, I believe. That's the equivalent of NEBHE that handles Texas. And I would be more confident if that were the case.

SENATOR CASSANO: So would I. That's my concern, is not only -- not only distributing more courses and earning revenue, but making sure that what's coming in is, in fact, somewhat closer to quality.

ED KLONOSKI: Here's my nightmare scenario. So, my nightmare scenario is that 40 states adopt this and thousands of institutions line up and I'm not allowed to. That would put me at a tremendous competitive disadvantage in terms of my national student population. How would I explain why I'm not SARA eligible? Nobody would want to hear about anything internal here. They would just say, "Well, look, you aren't and this Stevens Institute in Texas is and it's the same, so, I'm going to Stevens." So, you can't leave me out is what I'm begging you not to do. It's important that we be part of this.

SENATOR CASSANO: I think this is on this weekend's New England Board meeting again. I know the last time New England Board, it was on and supported strongly, I think, and recommended strongly. It's interesting to hear testimony from New Haven. I with another hat serving on national Homeland Security board, and every aspect of public safety and emergency response and part of the requirements of doing the job that we have to do nationally is education, and this is one of the places they're going to, is University of New Haven Online. So, I mean,

this is a perfect example of how it works.

When you have the reputation that Connecticut has, this will be -- it's like marketing, you know. We don't have to market ourselves. The reputation is doing the marketing, I think, for Connecticut. And, so, it is a boost, particularly helpful if we keep some of the others out that are -- not in an elitist way, but very simply an academic way. If you meet the standards, they have every right to sell their goods here.

ED KLONOSKI: So, I'm (inaudible).

SENATOR CASSANO: But they've got to meet the standards.

ED KLONOSKI: NEBHE has invited me to be the Connecticut's rep to the SARA board. So, I'll be representing Connecticut's interest as other states, not us, but as the other states' institutions apply to make sure that that standard in our region is evenly applied. Thank you all.

SENATOR CASSANO: Thank you.

ED KLONOSKI: Oh, wait.

REP. WILLIS: Oh, I'm sorry. Representative Lavielle.

REP. LAVIELLE: Thank you very much, Madam Chair, Mr. Chair.

Thank you for your testimony. I had to laugh during that conversation because I'm from Texas. I grew up in Texas.

SENATOR CASSANO: I should have saved you a

(inaudible).

REP. LAVIELLE: And I got out as fast as I could so I could get my education in New York and Connecticut, and I'm happy I did. That's my personal perspective. There's a lot of people who will tell you that they have received a very fine education in Texas. I'm sure they have, but I have retained that.

ED KLONOSKI: Thank you for your vote of confidence.

REP. LAVIELLE: And seriously, I took it very seriously at the time. I think I must have been 2 years old when I said to my parents, "I'm out of here."

But in any case, I hear two things going on here. One is if Charter Oak does not participate in this, it will not have access to students outside Connecticut. I get that, although I agree with Senator Cassano that, given my own experience, Connecticut does a good job, at least in this area, of maintaining its own. But going the other way, I do have some difficulty because I am not clear on just how rigorous that review process is for other institutions outside the state whose courses would then be accepted by our higher education system for students who wish to get the credit.

ED KLONOSKI: NEBHE is here and they will describe the process that they are using for us. That is the identical process that will be used in the other regionals for those other institutions. So, what SARA creates is a level playing field on quality for anyone that's an applicant and accepted. So, while Connecticut has a standard that's here, there are states with lower standards, but those institutions in those states will not be able to participate in

SARA unless they meet the same standard Charter Oak meets: Regional accreditation, financial aid eligibility, et cetera. But I will leave the NEBHE folk to testify about the particulars of that. I think they'll leave you confident that this elevates the standard outside the state.

REP. LAVIELLE: Just one question for you, though, to follow that up. When you say regional accreditation, that's their region, right?

ED KLONOSKI: Well, in all fairness, and I think Jane would back me on this. While the regional accreditors are not identical, they're as close to identical as one can get. So, if you were accredited by the higher learning Commission or SACs or MHEC, to my way of thinking and everyone else's way of thinking, that's an equivalent of accreditation. So, I don't think on that level I don't think institutions would claim that their regional accreditor is better than the other regional accreditor. And interestingly, that's a form of reciprocity that's matured over the last 30 or 40 years. So, nobody has that debate about that anymore. What we're trying to do here with SARA is reach a point that -- of -- like that with distance learning institutions where they've been equally reviewed wherever they might be and we're confident that if they pass that review they're a quality institution. This is the only way for Connecticut to do that, by the way, is to play on its level and encourage other states to play on theirs.

REP. LAVIELLE: Okay, I'll look forward to the testimony. Thank you.

Thank you, Madam Chair.

ED KLONOSKI: Thank you, everyone.

REP. WILLIS: Thank you.

Hap Aziz, University of Bridgeport. Good afternoon.

HAP AZIZ: Good afternoon, Madam Chair and members of the Committee. Thank you for taking my testimony regarding H.B. 5361. I'll try to be very brief. My colleagues have made some fairly good statements that I and the University of Bridgeport agree with.

The University of Bridgeport wishes to express support for Connecticut in participating in NC SARA or the State Authorization Reciprocity Agreements. Online learning is a strategic growth initiative for the University and we feel that SARA will allow us to compete on a flatter landscape. And while there is an administrative burden reduction, this burden isn't necessarily insignificant and it does represent resources that can be better applied to issues of improving education, communication service to students, and so on.

Rather than see a shift in a portion of our current residential population to the online modality, which is what happens when we market within our geographic region or our traditional geographic region, Bridgeport seeks to build enrollments with students outside of what we consider to be our traditional region. And this will allow us to serve a wider population certainly, but this is not just a matter of convenience. Bridgeport does not see this as just a matter of convenience, but also it's a response to modern realities of the competitive academic landscape. This includes raising consumer awareness as a part of ensuring high

academic standards for Connecticut students. So, that's part of how we feel that we would address the issues of academic standards with the students that would come to Connecticut institutions for education as well as the students that we would reach out to.

So, thank you very much, and I certainly welcome any questions.

SENATOR CASSANO: (Inaudible) thank you very much.

HAP AZIZ: Thank you.

SENATOR CASSANO: Jennifer, Jennifer Herz, (inaudible).

JENNIFER HERZ: Good afternoon, Senator Cassano, members of the Committee. I am Jennifer Herz, Assistant Counsel with CBIA, the Connecticut Business and Industry Association, and I am here this afternoon to support House Bill 5434, (inaudible) Technical High Schools and the Community Colleges and their cooperation agreement for use of equipment in college credit.

CBIA is certainly in support of this concept as far as getting the community colleges and technical high schools to work together to make sure students are trained for the 21st century. Come 2020, about 70 percent of jobs will require postsecondary education. So, really, the concept behind this bill of making sure that the equipment, which is very expensive, doesn't sit idle after 2:30, as alluded to earlier, and is utilized, we think will save both organizations money and also support our students.

I also want to touch on the college credit

REP. WILLIS: Well, thank you very much. I look forward to continuing to work with you.

JENNIFER HERZ: Thank you.

REP. WILLIS: On this and a host of other issues.

JENNIFER HERZ: Absolutely. Thank all of you.

REP. WILLIS: Okay, take care. Bye-bye.

Sandra Doran (inaudible). Welcome. Nice to have you here.

SANDRA DORAN: Thank you very much.

Good morning, or good afternoon, I guess, to Chairwoman Willis, Chairman Cassano, Senator Boucher, and other esteemed Committee members. We appreciate --

REP. WILLIS: Representative Haddad is esteemed, too, right? He's the Vice Chair.

SANDRA DORAN: Absolutely. Allow me to introduce myself. I'm here to speak to House Bill 5361. My name is Sandra Doran. I am the Director of the New England SARA initiative working with the New England Board of Higher Education. With me is my colleague, Kiley Danchise Curtis, who has been working on this initiative along with me.

Our submission in your packet is multifaceted. We have in your written materials a letter of support, an explanation from Michael Thomas, President of New England Board of Education. We also have an FAQ sheet that will answer some of the questions that we might not have a chance to talk about today. And we also have written testimony from Marshall Hill, who is

the Executive Director of National Council for SARA. And just a quick orientation in terms of the structure of SARA, there is a National Council, a national organization in -- which has been the umbrella organization for the four regional compacts, and NEBHE is one of them.

So, the first question, of course, is why do we need SARA. Currently, each of our 50 states and four U.S. territories have their own individual laws and regulations for approving online education providers in their state. Currently, Connecticut colleges and universities collectively offer online education to students who reside in each one of these 54 states and territories. So, the current framework that all of the Connecticut colleges and universities must operate under says that State authorization must be obtained from every state where a student resides. Costly, time-consuming process for every institution for a state and it is extremely confusing to students who are unable to access certain programs in other states.

Let me give you an example that's particularly pertinent to Connecticut. Our servicemen and women who are based here in Connecticut frequently are transferred to other states and around the world, in fact, but focusing just on the United States and our territories. If we currently have a student in Connecticut who is taking a course from the University of Connecticut or any one of our number of private institutions and colleges and they are relocated to another state, they are unable to continue with a Connecticut college unless the Connecticut college has the approval of the state to which they are relocated.

So, for example, if a serviceman, servicewoman,

or a spouse in Connecticut who is currently taking courses from Charter Oak or currently taking courses from University of Bridgeport or University of New Haven, and they are transferred to Indiana and they do not have authorization from the state of Indiana to accept students, then they will not be allowed to continue on with their -- with their native -- their home institution.

So, how did SARA come to be? That was one of the principles, to make access to state institutions and to private institutions, not just limited to those within the state, but to allow access to others outside the state who may not be able to have the same opportunities. A national coalition was formed with funding from Lumina. Lumina saw the need for a national framework, and a national coalition was formed consisting of the Council of State Governments, regional accreditors, State regulators, SHEEO, which is the State Higher Education Executive Officers, Regional Compact presidents, college and university presidents from across the nation, State and Federal DOE participation, Association of Public Land-grant Universities.

Why did I go through this list? To demonstrate that there was broad conversation across the country from every type of institution, from every type of regulator. And it was chaired by the Former Secretary of Education.

So, why should Connecticut join SARA? I'm going to put aside my written comments and address the questions that I've heard from both the Board -- I'm sorry, both the Committee as well as some of our people that have given testimony. The first question is around quality. So, there were inter-regional

guidelines developed in early to mid 2000s predating SARA that focused on quality, quality in term of program, quality in terms of courses, quality in terms of delivery. Every institution who participates in SARA must sign on to those quality standards.

And if you will permit me to list them without going into detail, there are nine. One, online learning is appropriate to the institution's mission and purposes. Two, the institution's plans for developing, sustaining, and if appropriate, expanding are integrated into its regular planning and evaluation processes. So, there is no opportunity for a -- an institution to simply throw together an online course or simply throw together an online program and offer it to Connecticut students. It is not an option. Third, the online learning is incorporated into the institution's systems of governance and, importantly, academic oversight. So, there is no opportunity for an out-of-state institution to simply create online programs outside of their framework which has been already endorsed and reviewed by their accreditor.

Four, curricular for the institutions' online learning offerings are coherent, cohesive, and comparable in academic rigor to programs offered in traditional instructional format. Five, the institution evaluates the effectiveness of its online learning offerings including the extent to which the online learning goals are achieved and it uses the results of its evaluations to enhance the attainment of those goals. Six, importantly, faculty, faculty responsible for delivering the online learning curricula and evaluating student success in achieving the online goals are qualified and effectively supported.

Seven, the institution provides effective student and academic services to support students enrolled in online offerings. Eight, the institution provides sufficient resources. And, nine, the institution assures the integrity of its online offerings.

The importance of that list is not just that an institution agrees that all of its programs meet those criteria, but within the process is an annual review process. So, every year an institution must again sign on to those guidelines and those principles, and the effectiveness of their evaluation and assessment so that every state is confident that their institutions are appropriately of high quality.

So, in addition to the regional accreditation process, in addition to program licensure, so, SARA does not address program licensure. I heard that as a concern earlier. Program licensure still is maintained with the State. That is not subject to SARAs. So, I think that's an important differentiator. I think also it is very important for us to remember that participation is voluntary. There is no requirement that institutions participate in SARA. By having a state participate in SARA, it gives its institutions the option. And if, in fact, the institutions cannot meet those standards that I just described for you, they will not be allowed to participate. So, we have those quality measures.

In addition, we have other the consumer protection measures, which you heard talked about earlier. The one thing I would add to that is Connecticut and every other state has the right to charge fees to their in-state institutions to cover any additional financial

burden. So, that would be up to each individual state. SARA would not participate in that, but there is the opportunity to generate fees if, in fact, a state feels the need to do that.

I want to thank all of the stakeholders who we have met with in Connecticut who have given us good advice and feedback through the process. The Office of Higher Education, administrators from the University of Connecticut chancellor's office, the Board of Regents, members of the regional steering Committee which has representation from all six of our states, many college -- Connecticut college and university presidents, the Governor's Office, as well various Connecticut Legislators.

So, my time is up. I'm happy to continue addressing questions of student accessibility, quality issues, benefits to institutions, benefits to states, but I will defer to the Chairs.

REP. WILLIS: Thank you. Just a few comments to those listening and to members of our Committee. This bill is before us, not because I received a request. It was just because I was on the Board -- in full disclosure, I'm on the Board, New England Board of Higher Education, and this has been an issue before our Board and a topic. So, I wanted to bring the issue before the Legislature for, for consideration. So, I really see this is extremely important conversation to be starting this dialogue because for many people this whole concept is new. So, that's one. So, I just wanted to make that clear that it was not even requested by Charter Oak or -- I asked them for language --

SANDRA DORAN: I didn't mean to imply that.

REP. WILLIS: No, no, no, you didn't imply anything.

SANDRA DORAN: Okay.

REP. WILLIS: I'm just trying to state that for members of the Committee. The question -- I have a few questions.

First of all, how many other states are taking legislative action on, on passing legislation to enable this to happen in their state?

SANDRA DORAN: Right, a very good question. So, across the country there are roughly 25 states who will have -- who have indicated they will have legislation passed by the Fall.

REP. WILLIS: So, this time there is not -- other states have not, and particularly in New England, have not moved to pass legislation?

SANDRA DORAN: Oh, in New England?

REP. WILLIS: Or --

SANDRA DORAN: No, we're in conversations with three other legislation -- Legislatures right now.

REP. WILLIS: Right, but they haven't passed. They haven't been enacted. They're under consideration.

SANDRA DORAN: Correct, they're under consideration.

REP. WILLIS: Correct, okay. I'm just trying to -- the other question I have as well, obviously there are three other organizations like NEBHE that have -- are taking this on, but there are other regions of the country that nothing is

happening; is that correct, mid-Atlantic states?

SANDRA DORAN: No, every state is either part of one of these four regional compacts or is in a conversation to join one of the four regional compacts.

REP. WILLIS: Okay. Because I'm looking at the map that --

SANDRA DORAN: Right.

REP. WILLIS: I assume that came to us from you.

SANDRA DORAN: Yes, exactly.

REP. WILLIS: And we've seen holes --

SANDRA DORAN: Are you looking at this map?

REP. WILLIS: Yes, right.

SANDRA DORAN: So, briefly, the states in orange or red are covered by WICHE. The two orange states are not a member of the compact.

REP. WILLIS: Right.

SANDRA DORAN: But for purposes of SARA are allowed to join a compact for SARA purposes only.

REP. WILLIS: Okay. So, they could join WICHE.

SANDRA DORAN: And I believe they will.

KILEY CURTIS: South Dakota is going to join WICHE and North Dakota is going to join MHEC.

SANDRA DORAN: Oh, thank you, Kiley.

REP. WILLIS: Oh, okay.

SANDRA DORAN: So, the other three states that you're probably looking at are New York, New Jersey and Pennsylvania, and each one of those states is in a conversation with a regional compact to join them.

REP. WILLIS: They could -- New York, for instance, could join NEBHE on this?

SANDRA DORAN: Yes, exactly.

REP. WILLIS: In fact, I think that's been the conversation, correct?

SANDRA DORAN: Uh-huh, there has been. With New Jersey as well, but nothing to report definitively yet.

REP. WILLIS: Okay. We might lower our standards by bringing in mid-Atlantic states, but --

SENATOR CASSANO: We'd have to have New Jersey?

REP. WILLIS: Yeah, we have to take New Jersey.

The other question, in term of the SARA Board --

SANDRA DORAN: Yes.

A VOICE: (Inaudible).

REP. WILLIS: NEASC, that is represented, yes.

A VOICE: (Inaudible).

REP. WILLIS: Thank you. No State regulators?

SANDRA DORAN: That's right. So, um, Kiley, why

don't you go ahead.

KILEY CURTIS: So, currently our Regional Steering Committee consists of seven members in which we tried to get a broad range across all six states plus the external regulator, which is seven, and Michael Thomas who serves also as well. If a state does decide to sign onto the SARA agreement, they will be able to put forth another member to the regional steering Committee which could be a State authorizer, et cetera, once they join the Committee or they join the SARA agreement.

SANDRA DORAN: But I think --

A VOICE: (Inaudible).

SANDRA DORAN: No, no. President Klonoski we have invited to join the Regional Steering Committee, even though at this point Connecticut has not yet passed legislation.

A VOICE: (Inaudible).

KILEY CURTIS: Pat Plumber has joined as our Massachusetts representative, and currently her position is a senior advisor at the UMass system, but she did serve a former role within the Department of Education in Massachusetts under the title of authorization.

SANDRA DORAN: What might be helpful --

REP. WILLIS: Is there a particular reason why you wouldn't want -- I'm just trying to think how you make this conversation more workable in terms of keeping them under the tent as opposed to --

SANDRA DORAN: I'm glad you've asked that question.

Okay. So, understanding now what your question is, we are creating a board of advisors which will consist, in large part, of authorizers.

REP. WILLIS: But, again, we don't need to pass this legislation for you to --

SANDRA DORAN: Correct.

REP. WILLIS: Okay. Because I think that, you know, obviously you're getting push back from Connecticut and you're getting push back from Massachusetts. So, I'm trying to think of a way to be more inclusive and maybe get some of their -- if they're part of the process, maybe there is less resistance (inaudible).

SANDRA DORAN: Right. So, one of the things that we do is we meet with all stakeholders. So, we've met with University of Connecticut. We've met with the privates. We've met with the Governor's Office. And I would say there is fairly broad support in some sectors.

REP. WILLIS: Yeah, but they're not the problem. The problem is the regulators.

SANDRA DORAN: Uh-huh.

REP. WILLIS: And, so, the Commissioner in Massachusetts has a problem. Our Office of Higher Education has a problem. So, what are we doing to try to address and allay some of their concerns? And, so, I'm thinking, well, if they're part of the process that it might help facilitate moving this along.

SANDRA DORAN: Right, I think that's an excellent idea. In fact, I was delight today hear that the Office of Higher Education supports essentially reciprocity agreements. And, so,

we do intend after this meeting, and have all along, I might say, you know, engaged in conversation, but we will do it with renewed vigor.

REP. WILLIS: That's what we want, vigor, right? I mean, I think -- I think -- I think the issue is everybody gets it that we want to do this and that we need to do it and we should do it for a multiplicity of reasons.

SANDRA DORAN: Uh-huh.

REP. WILLIS: Mostly to benefit our students to having access to higher education where it's difficult, particularly since we're -- we in Connecticut right now are looking at programs to bring nontraditional students back into higher education. Online opportunity affords that opportunity. So, there's a lot of reasons why we want to make this to work, but at the same time we need to identify what the barriers are to making it work.

SANDRA DORAN: Uh-huh.

REP. WILLIS: And how can we enable this to happen. And, you know, we want to make sure -- on this Committee, we have dealt in the past with some bad actors in the state of Connecticut. Proprietary schools have fueled them. Not all of them have, have been a problem.

SANDRA DORAN: Uh-huh.

REP. WILLIS: And ensuring that there's oversight and protections in place has served our students well. So, you know, we do have -- come to the table with that awareness.

SANDRA DORAN: Right. So, that would be one of the

benefits of SARA, is it creates a national network. So, instead of, you know, a student feeling that they may not have a place to be heard, not only can they go to, you know, the state of the institution, but they also have access to their own Attorney General. That does not change. They have access to the institution where they're enrolled. That has not changed. They have access to their regional accreditor. That has not changed. So, so, in some ways this just affords a more obvious path for resolution, but it doesn't limit the options.

REP. WILLIS: Well, thank you very much.

Other questions or comments from members of my Committee?

Well, hearing none, thank you very much.

SANDRA DORAN: Okay, thank you for this opportunity.

REP. WILLIS: Oh, absolutely. I think it was a good conversation to have and important for us to hear. So, thank you.

SANDRA DORAN: Okay, thank you.

REP. WILLIS: Now, if there are any other -- anyone else who would like to testify that did not sign up? Anyone else who would like to testify?

Hearing none, I close this public hearing.
Thank you very much.



UNIVERSITY OF SAINT JOSEPH
CONNECTICUT

Testimony for the Higher Education & Employment Advancement Committee
From
Daniel Nussbaum; Dean, School of Graduate and Professional Studies
The University of Saint Joseph
March 3, 2014

On behalf of the University of Saint Joseph I am submitting testimony on H.B. No. 5361 (RAISED) AN ACT CONCERNING A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS

Since 2011 the University of Saint Joseph has taken numerous steps and invested significant resources to ensure that our offering on-line master's degrees in Biology, Biochemistry, and Nutrition, and an on-line graduate certificate in Integrative Genomics is compliant with state distance learning regulations. Initially this required the dedication of staff time to reviewing fifty-two sets of regulations (including Puerto Rico and the District of Columbia). As we quickly discovered, for most states the critical concern was the extent to which our program established a "physical presence" in that state, and there was a broad range of diverse and distinct definitions of what constituted physical presence. In many states the structure of our programs did not in any way violate physical presence and we were allowed to offer the program without additional documentation. In some cases, only a minor adjustment was required. For example, at that time the state of New Jersey determined that our requiring students to arrange for a proctor for their comprehensive examination established a physical presence even though students paid for that proctoring directly. Our university therefore invested in a remote secure proctoring system that New Jersey determined would no longer define us as having established a physical presence in that state. In other states, such as Wisconsin, we have been required to submit thorough and detailed applications with sizeable fees, many of them renewable annually, in order to offer the program. In some cases, such as Minnesota, approval costs resulted in our university's decision not to offer the programs in that state, and we have had to turn away prospective students.

For a small university like the University of Saint Joseph a State Authorization Reciprocity Agreement is a very welcome development. The investment required to maintain knowledge of changing regulations in every state and to develop applications for those states which require it is onerous. Frankly, in every case we have wondered why another state would not simply accept the integrity of the process which we undertook for successful approval for these programs from the Connecticut Office of Higher Education. In an era in which institutions of higher education are rightfully being asked to focus on efficiencies which support maintaining affordability and reasonable tuition rates, the current inefficient, duplicative, and costly system of distance learning regulation inhibits the achievement of the broader goal of affordability.

We understand the concerns expressed by our colleagues who have the ultimate accountability for ensuring the quality of higher education and consumer protection in our state. However, it is our belief that these can be addressed through the increased level of communication and collaboration among institutions of higher education the reciprocity agreements will foster. The University of Saint Joseph therefore supports this bill that would authorize Connecticut to sign onto the State Authorization Reciprocity Agreement process because of the benefits which result for Connecticut institutions of higher education like ours and for the expanded number of out-of-state students we could serve with this more efficient system.



Office of the President

Fairfield University commends the Connecticut Higher Education and Employment Advancement Committee for raising Bill 5361: AN ACT CONCERNING A STATE AUTHORIZATION RECIPROcity AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS.

The adoption of the SARA process allowing institutions of higher education in the State of Connecticut the opportunity for reciprocal acceptance of their duly licensed and accredited online programs and courses is an important step in advancing innovative pedagogical approaches in higher education. Fairfield University, like most institutions in Connecticut, engages in rigorous, transparent accreditation at the state and regional level as well as at the national level for professional programs. Our standards are very high and provide students access to the learning and skills necessary to engage as productive citizens.

The technology advances in the twentieth first century have introduced new and exciting pedagogical approaches for higher education. Online learning allows students to intellectually engage in a timely and efficient manner. As we move to grow our economy and educate and train students to meet emerging needs, institutions are developing multiple modes of providing education. In addition, the changing demographics point to older students seeking education and continuing education to continually advance their career skills. These students, often working adults, need flexibility and require convenience to continue their education. Thus online education works for many in a variety of disciplines.

At a time when the public and elected officials are rightly asking colleges and universities to be more cost conscious and innovative to meet the pressing needs to train and educate a work force for the twentieth first century, the adoption of the SARA process makes imminent sense. SARA will set national criteria for approving online education based on the assurances of the individual states that they stand behind the quality of the educational offerings of their institutions. It provides a uniform standard and eliminates the timely and costly process for an individual institution to register its courses and programs in 50 different states. Setting a national standard insures that all students will be receiving a quality education and this process upholds the standards set by the State of Connecticut. Passage of this bill will put Connecticut in the forefront of advocating for quality online education and providing effective and efficient means for the colleges and universities in the state to deliver educational experiences so needed to build our society and our economy.

We at Fairfield University encourage you to support this bill and bring it to enactment by the Senate and the House of Representatives in the General Assembly.

Thank you.



Jeffrey R. von Arx, S.J.
President

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 { Testimony of: Kirby Curtis Pg 7 of 8 - Line 23



**National Council for
 State Authorization Reciprocity Agreements**

A voluntary, regional approach to state oversight of distance education

To: Connecticut Legislature
 Higher Education and Employment Advancement Committee

From: Marshall A. Hill *Marshall A. Hill*
 Executive Director, National Council for State Authorization Reciprocity Agreements

Subject: H.B. No. 5361 H.B. No. 5361 (RAISED) AN ACT CONCERNING A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS. (HED)

Date: March 3, 2014

In addition to the personal testimony that you will hear on the State Authorization Reciprocity Agreement (SARA), I offer the following information for your consideration.

Current Situation

In the United States, the regulation of education is largely a matter left to the states. States carry out their regulation of both K-12 and postsecondary education in remarkably different ways. That variance is particularly visible in the way in which states deal with out-of-state institutions that want to offer instruction within their borders.

Currently, institutions that offer distance education courses (through the Internet, through two-way interactive video, or through other means) to students in other states must determine and then comply with whatever conditions, or gain whatever approvals, those states require. That means that Connecticut institutions that offer postsecondary distance education to students in other states need to determine and then comply with the requirements of as many as 49 other states, and institutions in 49 other states need to comply with Connecticut's requirements. That process is inefficient, time-consuming, expensive, and ineffective in supporting the quality our country needs to gain the maximum benefits possible through distance education.

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SARA as an alternative

Over the past three years, representatives of higher education institutions, state higher education agencies, regulatory bodies, and other affected groups have developed the State Authorization Reciprocity Agreement – SARA. The initiative is voluntary for both states and institutions

I would like to comment on three particular aspects of SARA; first, the ways in which SARA will support quality in postsecondary distance education; second, how SARA and its adopting states deal with students complaints about institutions, and third, the flexibility states have to carry out SARA provisions.

Institutions operating under SARA must be accredited by an accrediting body "recognized" by the U.S. Secretary of Education, must meet federal financial responsibility standards, and must certify that they operate under the guidelines for distance education adopted by the nation's regional accrediting associations – a *higher* standard than nationally accredited colleges must now meet. This is a substantial array of requirements to protect students.

SARA has its own internal requirements for institutional behavior. These are included in Section 4 of the SARA Policies and Standards, an entire section dealing with consumer protection. They require institutions to be truthful in recruitment and marketing materials, accurate in statements about job placement rates, provide correct information about tuition and fees, provide accurate information about accreditation, transferability of courses and professional licensing requirements and meet other standards.

In addition to the student complaint procedures that are a part of SARA, a state that joins SARA retains significant capacity to investigate and resolve problems originating from complaints by students, employers or other interested state residents. SARA does not in any way prevent the state from using its existing general-purpose consumer protection laws to pursue redress for a student who has been maltreated by a college. We have worked to ensure that states retain all of this authority because protecting students is one of the core values of SARA.

Implementation in a state that has decided to join SARA

States can organize themselves to carry out their obligations under SARA in various ways. In many states, there is an obvious agency to serve as the SARA "portal agency" (the agency charged to administer SARA with the state); in some, the choice is not so clear. Various sectors of higher education can be brought together for SARA purposes through inter-agency agreements to enable one particular agency to carry out two main state requirements of SARA: approving eligible institutions and resolving complaints that may emanate from the activities of those institutions in other SARA states. Many states are going to align that latter point with the way the state has chosen to implement the separate and pre-existing (October, 2010) U.S.

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Department of Education requirement for a statewide student complaint resolution system. At least one or two states will be creating new entities for the sole purpose of administering SARA.

States are choosing to fund their SARA work in various ways. In some, cessation of some activities will allow staff attention elsewhere. In others, institutions will be asked to partially support the initiative through fees paid to their state's SARA portal agency.

Finally, in most states, legislative changes are necessary to enable the state to participate in SARA. We don't underestimate the difficulty of getting that done. But the attraction of SARA as an alternative to the cumbersome and inefficient system we now have is sufficient to have gained the interest of many states. Legislation enabling SARA has passed or is currently pending in the legislatures of at least 25 states.

Change is hard, as we all know. But sometimes it is necessary to attain important goals. Those of us working to support SARA are doing so because we believe that distance education is an important and necessary tool in increasing the educational attainment of our country's people; and SARA is a way to significantly sharpen that tool.

SARA is an evolving initiative. Latest information is available at www.nc-saara.org

Please let me know if you have questions or comments.

C: Michael Thomas, President, New England Board of Higher Education

Sandra Doran, SARA Director, NEBHE



National Council for State Authorization Reciprocity Agreements

A voluntary regional approach to state oversight of distance education

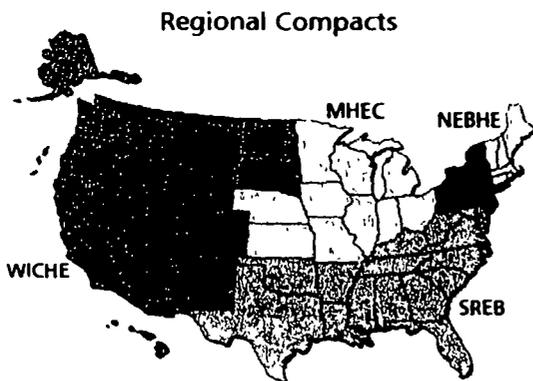
Frequently Asked Questions about SARA

SARA staff developed FAQs based on the policies established by the National Council for SARA (NC-SARA, *Policies and Standards*, issued Nov. 18, 2013). Please note that if policies and standards are revised in the future, these FAQs may no longer be current for all issues. When a question refers to a specific SARA policy, the policy section and subsection are shown as, for example, NCS 3(9). More detail and the formal policy can be found in the SARA Policies and Standards document.

BASIC QUESTIONS ABOUT SARA

What is SARA?

The State Authorization Reciprocity Agreement is an agreement among member states, districts and territories that establishes comparable national standards for interstate offering of postsecondary distance education courses and programs. It is intended to make it easier for students to take online courses offered by postsecondary institutions based in another state. SARA is overseen by a National Council and administered by four regional education compacts (see map below).



MHEC – Midwestern Higher Education Compact
NEBHE – New England Board of Higher Education
SREB – Southern Regional Education Board
WICHE – Western Interstate Commission for Higher Education

Who belongs to SARA?

The members of SARA are states, not institutions or students. Therefore a state “joins” or becomes a “member” of SARA while a college or university “operates under” or “participates in” SARA. States join SARA through their respective regional compact

NOTE The District of Columbia and U.S. Territories that are part of a regional compact are also eligible to join SARA

Does SARA completely replace state authorization?

No. Any degree-granting institution in the U.S. must be authorized to issue degrees by a government. This is typically a state but it can also be Congress or an Indian tribe. SARA pertains to approval of distance education courses and programs offered across state lines by institutions that already have degree authorization in at least one state. What SARA does is centralize the authorization process for each institution in a single state called the institution’s “home state.” Colleges or universities in a SARA state therefore only need their home state authorization to offer distance education to any other SARA member state.

Is every state a member of SARA?

No, membership is voluntary. States may choose to join SARA through the regional compact to which they belong. NC-SARA will maintain a list of SARA member states and institutions operating under SARA.

When will SARA begin operation?

Membership is expected to open by late December, 2013. At that time application material for states and institutions will be available online from each of the regional compacts' websites and at the National Council for SARA web site (nc-sara.org).

SARA AND THE U.S. GOVERNMENT

Does the federal government operate or control SARA?

No, SARA is a voluntary initiative funded by Lumina Foundation during its startup phase and by user fees from participating institutions thereafter. SARA has its own board called the National Council for SARA.

Will the U.S. Department of Education recognize home-state authorization under SARA as meeting federal "state authorization" requirements for distance education programs offering courses in multiple states?

SARA staff has been advised that the Department of Education will embrace this approach. Institutions will still need to get separate authorization in non-SARA states.

If a college offers online courses to federal employees at a military base, are those offerings covered by SARA, assuming both states are members?

Yes, SARA covers federal employees and dependents at a military base if the courses are online or delivered by some other distance education means, but does not allow opening such offerings to the general public under SARA. SARA does not have any effect on state laws respecting operation of on-

ground instruction on a military or other federal installation NCS 3(9).

Does SARA include similar coverage for other federal facilities or just military bases?

Only military bases.

SARA AND THE STATES

How does a state join SARA?

There will be a uniform SARA application process through which a state will be required to demonstrate to its regional compact that it meets the standards established for participation in the interstate reciprocity agreement. Key actions for a state are:

1. Determine which state agency, if any, has the legal authority to sign an interstate agreement governing distance education laws for both public and private colleges. The authority must be sufficient that once the state signs, its existing laws are waived for SARA activity both to and from the state. If legislation is needed to establish such authority, obtain sample laws if needed from the National Council for SARA office.
2. Determine which state agency will be the SARA portal agency. This is the "lead" agency for SARA, responsible for contact with other states and students from other states, but it need not be a college governing board. It can work with other agencies as needed for problem-solving.
3. Determine whether state law allows the state's SARA portal agency, or a combination of agencies, to investigate and resolve complaints against all degree-granting institutions in the state, public and private. Federal law requires that such processes exist, and a state must provide documentation of such processes to join SARA

Can a state withdraw from SARA?

Yes, a state may withdraw from SARA by providing 90 days written notice from an appropriate state authority to its regional compact. Any institutions operating under SARA from that state may continue to do so to the conclusion of the current term or 90 days after the date of receipt of notice of withdrawal, whichever is later, but not to exceed six months from the date the notice was received by the regional compact NCS 2(2).

Are any sample statutes or other laws available for states that want to join SARA?

SARA is considering placing some samples on its web site, but states will need to work with their own legal counsel to ensure that unique state needs are met.

Does the state have to assign all SARA problem-solving to the same state agency?

No. The problem-solving functions need not be conducted by the same state agency for all colleges and universities, but every institution participating in SARA must be under the jurisdiction of at least one state agency or entity for purposes of resolving problems arising from its interstate operations. Thus the board of regents for a system of public colleges could serve as the problem-solving entity for a multi-campus public university while a different office could handle the same functions for private colleges. NCS 2(5)(d).

Does a state have to establish a new agency to handle SARA activity?

No. A state can assign SARA duties to an existing agency or entity. In some cases this may require statutory changes, in other cases a "blanket" law governing the state's membership in SARA could establish the authority.

If the state requires a nonpublic institution to accept state agency oversight for purposes of interstate activity under SARA, does the state also have authority over that college's in-state activities?

No. SARA only applies to interstate distance education activity.

If a state joins SARA and SARA rules supersede state laws for purposes of oversight of SARA-member programs coming into the state, does the state lose its oversight laws completely?

No. States will need to retain all of their current oversight rules covering distance education offerings because some states may not join SARA, some institutions in SARA states may choose not to operate under SARA and SARA does not cover offerings by non-U.S. providers.

Can a SARA member state require a higher federal financial responsibility score for its nonpublic colleges and universities than SARA requires for institutional participation?

Yes, if that standard is applied to the institutions as part of the state's general rules for operating in the state. The state cannot apply a standard higher than the SARA standard solely for eligibility screening for an institution's participation in SARA. For this reason, in a state that applies a higher standard to its nonpublic providers, those providers will by definition operate under a higher standard for purposes of SARA, but not because of SARA rules NCS 2(5)(c).

Can a college operating under SARA start a campus on the ground in another SARA member state without going through the host state's authorization procedures?

No. SARA only applies to distance education activity, with a very limited number of on-ground or group activities included. NCS 3(4).

What issues fall under "consumer protection" in SARA?

SARA considers consumer protection to cover any dishonest or fraudulent activity by a provider, including giving false or misleading information to a student. It also includes operating a course or program contrary to standard practices as set forth in the Interregional Guidelines for the Evaluation of Distance Education Programs (Online Learning) in such a way that harms a student. Examples of issues that may arise include, but are not limited to

- Veracity of recruitment and marketing materials
- Accuracy of job placement data
- Accuracy of information about tuition, fees and financial aid
- Complete and correct admission requirements for courses and programs
- Accuracy of information about whether course work meets professional licensing requirements
- Operation of distance education programs consistent with practices expected by institutional and, if applicable, programmatic accreditors NCS 5

Is the requirement under SARA that a state have a complaint process for all of its institutions something that SARA invented?

No. It is in existing federal law and predates SARA. The requirement that states have such a complaint process is found in 34 CFR 600.9(a)(1) (as amended in 2010) and reads

Title 34. Education PART 600—INSTITUTIONAL ELIGIBILITY UNDER THE HIGHER EDUCATION ACT OF 1965, AS AMENDED
Subpart A—General

§600.9 State authorization.

(a)(1) An institution described under §§600.4, 600.5, and 600.6 is legally authorized by a State if the State has a process to review and appropriately act on complaints concerning the institution including enforcing applicable State laws, and the institution meets the provisions of paragraphs (a)(1)(i), (a)(1)(ii), or (b) of this section.

The U. S. Department of Education has expanded on the meaning of this statement as follows

Complaints Process (C)

C-Q1: Even if certain institutions are exempt from a State's approval or licensure requirements, is there still a requirement for the State to have a process to resolve complaints involving those institutions? In addition, could the State statutorily delegate this function to a non-State entity, such as an institution's governing board or a trade association?

C-A1: The State must have a process to handle complaints for all institutions in the State, except federally run institutions (including the service academies) and tribal institutions such as tribally controlled community colleges. For purposes of HEA eligibility under these regulations, the State remains responsible for responding to complaints about institutions in the State regardless of what body or entity actually manages complaints. The Department will only recognize a delegation that maintains the final authority with the State. This responsibility can be met by the offices of a State's Attorney General, or by a more specialized State entity. A State, upon considering a complaint, may refer it to other appropriate entities, such as an institution's accrediting agency, for final resolution. [Guidance issued 3/17/2011]

C-Q2: The Department appears to acknowledge that a State may have a combination of agencies or officials to handle complaints. If multiple agencies are used to handle complaints, do they need to have any affiliation or expertise with postsecondary education? For example, could the State's generic consumer protection agency act on complaints?

C-A2: Pursuant to section 600.9(a)(1), the Department did not specify that a single State agency must handle complaints, nor did it specify any particular expertise on the part of the State agency. If multiple agencies are applicable to an institution, the institution, under section 668.43(b), must provide its students or prospective students with contact information for filing complaints with the institution's State approval or licensing entity and any other relevant State official or agency that would appropriately handle a student's complaint. [Guidance issued 3/17/2011]

C-Q3: For purposes of acting on complaints, would a governing board that has oversight of multiple institutions as part of a State university system satisfy the requirement that a complainant have access to a process that is independent of any institution?

C-A3: As stated in the preamble to the final regulations (75 FR 66866 (Oct. 29, 2010)), "The State is not permitted to rely on institutional complaint and sanctioning processes in resolving complaints it receives as these do not provide the necessary independent process for reviewing a complaint. A State may, however, monitor an institution's

complaint resolution process to determine whether it is addressing the concerns that are raised within it." A State may rely on a governing board or central office of a State-wide system of public institutions if the State has made the determination the governing board or central office is sufficiently independent to provide successful oversight of complaints for the institutions in that system. It would not be acceptable for such a board or central office to handle complaints for other institutions in the State. [Guidance issued 3/17/2011]

If a state joins SARA, will the state lose fee revenue from colleges in other SARA states?

If a state currently charges applicant or review fees for distance education courses, including most field placements and clinicals, to colleges and universities located in other states, the state will lose that revenue over time as states join SARA. This revenue loss will likely take place incrementally over a period of several years.

However, the state may also gain fee revenue from its own institutions that participate in SARA if the state chooses to establish a SARA participation fee.

If a home state does not currently handle investigations and consumer protection for all of its distance education providers, will the home state need to start doing that?

Yes SARA centralizes primary responsibility for problem-solving in the home state, therefore the home state needs to be prepared to handle, in many cases, a larger volume of communication and issues for its domiciled providers, even as its work with providers based in other states decreases. Whether this change of workload requires additional revenue from in-state sources will vary by state, but states that have a large number of online providers may encounter significant workload increases, while those with few providers may see very little change.

Does SARA cover distance education activity by an institution in a state to residents of the same state?

No. SARA only covers distance education that crosses state lines. NCS 3(4)

If a corporation owns several degree-granting institutions, is the state where the corporate headquarters is located the "home state"?

No. The corporate parent is not a degree-granting institution. The home state is where the principal location of the degree-granting institution is domiciled. This is usually also the institution that carries the accreditation for a multi-state network of privately-owned colleges. One corporate parent might own several degree-granting institutions that are domiciled in several different states.

**SARA AND THE
LICENSED PROFESSIONS**

If a program operates under SARA from another state and the program is intended to let a student become licensed to practice a profession (e.g. nursing, teaching, psychology), does the state in which the student lives have to let the student apply for licensure?

No. SARA has no effect on state professional licensing requirements. The National Council for SARA and the four regional compacts that administer SARA have an expectation, set forth in the reciprocity agreement, that any college that offers courses or programs potentially leading to professional licensure must keep all students informed as to whether such offerings actually meet state licensing requirements. NCS 3(5).

NOTE In some cases a college may not know whether the program meets state standards because the state will not provide sufficient information. In those cases, the college must tell the student that the college does not know whether the program meets requirements in the student's state of domicile and making any such determination is up to the student

If a program is purely online except for field placements such as clinicals, student teaching, practica, etc., do those placements fall under SARA or are they considered a “physical presence” that activates state law?

Almost all such field placements will fall under SARA, but many may also fall under the jurisdiction of state professional licensing boards. See [NCS 3\(5\)](#) and [6\(2\)\(i\)](#).

NOTE If a clinical placement is related to a program that operates on the ground in a state, such as a campus-based teacher education program, it is not covered by SARA and is considered part of the on-ground program

If the state agency responsible for degree program authorization is also the state agency that determines, or helps determine, whether a program meets requirements for professional licensure, is there a conflict?

No. Although SARA will supersede the degree authorization function for such an agency for some purposes, it will not preclude that agency from performing other duties under state law, including determinations of whether a program meets requirements for state licensure in professional fields

SARA AND INSTITUTIONS

Do all of a state’s eligible institutions have to join SARA if the state does?

No. Every college or university decides for itself whether to operate under SARA. In general, an institution that offers online or other distance education courses to students in several states will benefit from operating under SARA because that college may have less paperwork and fewer fees to pay. A college that only offers courses to students in one or two other states may opt to work directly with those states to obtain necessary authorization rather than joining SARA. However, that decision will depend on institutional needs and what the laws of those states require

Can a group of related, jointly owned or connected institutions participate in SARA as a system or cluster?

No. SARA participation is by institution, so the institutions in a state system, or those with common ownership but which operate separately, must apply separately. An independently accredited entity must apply to SARA separately. A branch campus that operates under the accreditation of a main campus is not considered a separate institution for purposes of SARA.

What state is an institution’s “home state” for SARA purposes?

The home state is the state where the college’s main campus or central unit holds its principal legal domicile [NCS 1\(13\)](#).

NOTE In the event that a college disagrees with SARA staff determination of its home state and the states are in the same region, the regional compact’s SARA Steering Committee will make the final determination. If the states in question are in different compact regions, the SARA National Council will make a final determination in consultation with the affected regions

If a physical campus offers a course or program, part of which is offered online and part of which is on the ground, does the state have jurisdiction over the entire program?

Yes. Whenever there is a physical campus, the entire program available at that site is under the jurisdiction of the state where the campus is located, subject to state law.

SARA is designed to allow states to retain full oversight capacity over any on-ground campus. That must include the entire program offered by such a campus, including such portions as are delivered online, from any source. Therefore, SARA cannot be used to “screen” part of such a program from state oversight by outsourcing part of a program to an online provider operating under SARA.

This does not prevent a campus from requiring part of its program to be done online if state law allows, it simply doesn’t qualify as operating under SARA. It would be done under normal state rules, [NCS 6\(1\)](#).

What fees does SARA charge institutions?

The following fee structure has been established by the National Council for SARA. These annual fees are paid to the National Council, which will distribute them to the four regions under a formula system.

NCS 3(2)(a)

Enrolled FTE – Annual Fee to Participate	
Under 2,500.....	\$2,000
2,500-9,999	\$4,000
10,000 or more.. ..	\$6,000

States are also allowed to charge a state fee to SARA participants for administering SARA, but this is not required. It is likely that states in which there are a large number of major providers of distance education will consider a SARA fee in order to ensure that consumer protection functions can be carried out NCS 3(2)(c).

Does SARA cover class field trips across state lines or term-length group activities such as summer courses at a field station in another state?

SARA covers class field trips across state lines, but does not cover full-scale residency programs such as a summer session at a field station. NCS 3(6)

Does SARA cover short courses, weekend seminars and the like?

Physical presence under SARA is not triggered if the instruction provided for a short course or seminar takes no more than 20 classroom hours. In regard to a full-term course, it would not trigger physical presence if the instructor and students physically meet together for no more than two meetings, totaling less than six hours. NCS 3(7)

Does SARA cover graduate work?

Yes. SARA covers undergraduate and graduate programs and courses. *But see* special provisions for licensed professions, noted in that section of FAQs.

Does SARA cover “test prep” and other similar training programs offered by entities that are not degree-granting institutions?

No. Although these business activities often claim to prepare students for exams offered by a degree-granting provider, they are not covered by SARA.

NOTE SARA does cover exam preparation activity offered by a SARA participant accredited degree-granting institution that is integral to a course or program offered by that institution among SARA member states

Does SARA cover instructional activities by third-party providers that have contracted with a SARA participant institution?

A SARA participant institution may hire third-party providers to offer instruction contained within a program that is otherwise SARA-eligible, assuming that the instruction otherwise meets SARA standards, institutional requirements and requirements of accrediting bodies. However, the degree-granting institution cannot delegate any SARA-related problem-solving functions to a third-party provider, nor may it use the third-party provider as its vehicle for contacting or working with a state. Contacts between a third-party provider and any SARA office must go through the degree-granting institution that is approved to operate under SARA by its home state. NCS 3(8).

My institution is a public university. Is it exempt from these rules?

Public universities often have special exemptions inside the state from which they obtained their charter or state license to issue degrees. However, these exemptions stop at the state border. A public university has no exemptions outside its home state in most cases and is treated in most states the same way any other nondomestic provider is. Public institutions will need to apply to their state's designated SARA agency for approval to offer distance education interstate under the reciprocity agreement

Can a public university board serve as the state agency responsible for investigating and resolving issues under SARA?

Yes, if the board is responsible for more than one separately accredited institution and has the ability to require an institution to rectify a problem. If a board is responsible only for one accredited institution or does not have enforcement authority over its institution(s), it cannot serve as the SARA oversight agency.

NOTE The National Council for SARA recognizes that this is a gray area with many possible scenarios. The Council will consider individual cases on their merits and may accept alternate configurations if it finds that the structure is likely to result in adequate student protection. A board may under some conditions acquire enforcement authority solely for purposes of SARA even though it otherwise has no oversight of a particular institution.

My institution is chartered by the U.S. Congress. How does it fall under SARA?

For purposes of SARA, a college or university that is owned by the federal government, such as the Air Force Academy, is considered to have the authority to offer courses online to residents of any state and SARA will not be involved in regulating such colleges.

If a federally chartered college is located in Washington, D.C. and is privately owned or is owned by the government of the District of Columbia, SARA will treat it as a D.C. entity, and D.C. will have the opportunity to join SARA (as will U.S. territories).

My college is owned by a federally recognized Indian tribe. How does it fit into SARA?

This question is still being researched by SARA staff. SARA intends to include any otherwise eligible tribal college in SARA and recognizes that many member colleges of the American Indian Higher Education Consortium (AIHEC) provide significant online education, but there are legal complexities involved because states cannot establish certain legal relationships with a tribe without federal permission, owing to the nature of tribal treaties with the U.S. government.

My institution is not accredited by a federally recognized accrediting body. Can it participate in SARA?

No, only institutions accredited by a federally recognized institutional accrediting association can operate under SARA. [NCS 3\(1\)](#).

My college is a career school that does not offer any degrees. Can it operate under SARA?

No, only institutions that offer degrees can operate under SARA. However, a degree-granting institution that operates under SARA can also offer nondegree programs if desired. [NCS 3\(1\)](#).

My college is based in Canada but offers online degrees to U.S. residents. Can it operate under SARA?

No, only colleges that are based in a U.S. state or territory are eligible to participate in SARA, even if they are accredited by a U.S. accrediting body. [NCS 3\(1\)](#).

Can a recently established degree-granting college located in a SARA member state operate under SARA?

Yes, once it achieves accreditation by a federally recognized institutional accrediting association.

Once an institution is accepted for SARA membership, can it be removed?

Yes. An institution that does not renew its participation agreement with its home state annually is no longer eligible to participate in SARA. At the time of renewal, the state must determine whether the institution still meets SARA requirements. An institution can also be removed at any time for violation of SARA standards by its home state or by the SARA regional compact under which it operates. [NCS 3\(3\)](#).

Does SARA cover all interstate placements of students in clinical sites and practica, or only those placements that are related to a distance-ed program?

SARA covers all interstate placements in clinical or practica situations among SARA member states, no matter the nature of the main program. However, some such placements may also be subject to the rules of professional licensing boards, in which case the placement must also meet such requirements. SARA does not supersede professional requirements imposed by such boards.

SARA AND STUDENTS

If a student has a complaint about an institution operating under SARA, does the complaint go directly to SARA?

No, complaints go first through the institution's standard procedure for resolution of student grievances. If a student is not satisfied with the outcome of the institutional process, the complaint may be brought next to the responsible state agency in the home state and then to the SARA council, regional and ultimately national for resolution. Nothing precludes the state where the student is located from also working to help resolve the complaint NCS 4(1).

NOTE Although students may choose to work through their own state's SARA office for complaint resolution, the SARA office of the state where the provider is located is responsible for staffing the investigation and complaint resolution as needed. Students may not use SARA to complain about distance education courses offered inside the home state, only those offered across state lines

Can students appeal grades or student conduct penalties through SARA?

No, grade appeals and conduct complaints are expressly excluded by SARA NCS 4(1)(d).

If a student signs an arbitration clause with an institution requiring that the student resolve complaints solely through that method, does that prevent a student from bringing a complaint to SARA?

No SARA is not a party to any arbitration requirements. A student may bring to SARA any issue that potentially involves a violation of SARA standards or policies.

SARA AND THE "PHYSICAL PRESENCE" STANDARD

How does SARA define physical presence?

Generally, an institution has physical presence when it operates a campus, branch instructional facility whether leased or owned, or administrative office within the boundaries of a state. However, because the specific definition currently varies greatly from state to state, especially with regard to out-of-state institutions that seek to conduct any activity within another state, SARA has established its own uniform standard for physical presence versus distance education.

This standard supersedes all conflicting state laws for purposes of SARA, but does not affect the application of existing state laws to colleges that choose to operate outside of SARA or which are based in states that are not SARA members.

The detailed standards for physical presence under SARA are set forth at NCS 5(1) and (2).



NEW ENGLAND BOARD OF HIGHER EDUCATION

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Office of the President

February 28, 2014

Senator Steve Cassano, Co-Chair
Higher Education and Employment Advancement Committee
Room 1800, Legislative Office Building
Hartford, CT 06106

Representative Roberta B. Willis, Co-Chair
Higher Education and Employment Advancement Committee
Room 1800, Legislative Office Building
Hartford, CT 06106

Re: H.B. No. 5361, An Act Concerning a State Authorization Reciprocity Agreement Regarding Distance Learning Programs.

Dear Senator Cassano and Representative Willis,

On behalf of the New England Board of Higher Education (NEBHE), thank you for accepting our testimony in favor of H.B. 5361.

Background of SARA:

In 2010, the U.S. Department of Education articulated that each state is responsible for authorizing education offered to its residents from institutions outside the state. This regulation had major implications: institutions of higher education would have to initiate an expensive and time-consuming process to request authorization for each state submitting an application to deliver instruction. Furthermore, states faced the prospect of requests from thousands of institutions.

Subsequently, accreditors, government agencies and higher education organizations proposed a nationwide reciprocity agreement to address these challenges. The State Authorization Reciprocity Agreement, or SARA, should:

- Broaden offerings and lower costs for students;
- Save institutions from seeking approvals for their classes and degree programs on a case-by-case, state by state, basis;
- Allow states to focus on oversight of their own institutions.

SARA, a nationwide agreement

For the past two years, several organizations have been engaged in an effort to develop a national reciprocity agreement to address the challenges of state authorization. The result of this discussion has been the Findings, Principals and Recommendations of the State Authorization Reciprocity Agreement (SARA). SARA will require each participating accredited, degree-granting institution to be authorized by its home state and eliminate the need for it to obtain individual approvals in all of the states where they serve students.

As proposed, SARA can, over time, make state authorization policy and regulatory mechanisms more consistent across the states, regions and the nation.

SARA is built on three partnerships:

- Among states as reciprocal partners,
- Among the four regional compacts for higher education, and
- Among nationally recognized accreditors, the federal government and the states.

This three-way collaboration has traditionally worked well to assure students of quality, accountability and consumer protection.

Consistent with their collaborative missions to expand educational opportunity within their regions, the four regional higher education interstate compacts are uniquely positioned to assist on this issue. In addition to NEBHE, the compacts include the Midwestern Higher Education Compact (MHEC), the Southern Regional Education Board (SREB) and the Western Interstate Commission for Higher Education (WICHE). NEBHE believes that states within a region, working together and agreeing on terms of engagement and collaboration, can work cooperatively and consistently toward reciprocally accepting each other's authorization of institutions to (do you want to say deliver instruction?).

Interstate recognition within a region also would extend to cover all participating states regardless of region. Trust becomes a guiding principle for a state authorization reciprocity agreement — and requires confidence that each partner take seriously its responsibilities to authorize only institutions that provide high quality education, whether through traditional campus classroom experiences or through technology-meted or off-campus based experiences.

A voluntary agreement

SARA establishes reciprocity between willing member states that accept each others' authorization of accredited institutions to operate in their states to offer educational services beyond state boundaries. Participation in this agreement is entirely voluntary. This agreement is intended to facilitate expanded access to high-quality distance education opportunities for students by improving state policy and operational mechanisms. This agreement applies only to educational services provided by institutions outside of their home state boundaries. It in no way affects the unique processes that states may use to authorize an institution to operate or to exempt an institution from oversight within its own state

Participation at the institution level is voluntary as well. Institutions that do not wish to subject themselves to the level of oversight consistent with interstate reciprocity may choose either not to provide educational services beyond the boundaries of their state or to seek separate authorization to operate in states in which they wish to offer educational services.

Benefits of reciprocity

Significant benefits will accrue to institutions, states and students if the current lack of uniformity in the patchwork of state regulation can be improved through sharing common, consistently applied processes and standards.

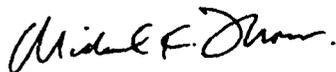
Institutions will reap financial benefits by no longer having to engage in the confusing and duplicative process of seeking approval to operate on an individual, case-by-case basis in each state in which they serve students.

States will benefit by focusing their limited resources on the oversight of institutions within their state, regardless of where that institution serves students. As the number of institutions serving students in multiple states continues to increase, state regulatory offices would find it difficult to conduct meaningful reviews and ongoing oversight of the hundreds, if not thousands, of out-of-state institutions operating in their states.

Students will benefit because lower costs for institutions will mean fewer costs passed on to them. Some students are finding their options limited as institutions choose not to serve students in states with onerous authorization requirements. Since regulators will focus their reviews on their home-state institutions, they will have more confidence in the review process and that complaints will be handled and resolved properly.

For all these reasons, NEBHE strongly encourages the State of Connecticut to adopt legislation permitting the Office of Higher Education to enter into the State Authorization Reciprocity Agreement.

Sincerely,



Michael Thomas
President and CEO
New England Board of Higher Education

*Off 5 of 8 - Line 11
1/11/14
6 of 8*



CONNECTICUT STATE
COLLEGES & UNIVERSITIES

BOARD OF REGENTS FOR HIGHER EDUCATION

Testimony by Ed Klonoski, President
Charter Oak State College
Board of Regents for Higher Education
Before the Higher Education and
Employment Advancement Committee
March 4, 2014

Good Morning Chairs Willis and Cassano, Ranking Members LeGeyt and Boucher, and members of the Committee. My name is Ed Klonoski, and I am president of Charter Oak State College, the state's only public distance learning institution. Charter Oak is one of the 17 institutions governed by the Board of Regents for Higher Education, and I am here today on behalf of the CSCU system to testify in support of **HB 5361: An Act Concerning a State Authorization Reciprocity Agreement Regarding Distance Learning Programs.**

Charter Oak State College has been disadvantaged by the lack of a national reciprocity agreement for years. Currently, any online educational program — regardless of whether it has a physical presence in another state — must register in any state or U.S. territory in which it has students. Since approximately 30% of Charter Oak's students come from other states, we have registered in all 50 states for the past several years. This process is expensive, time consuming, and sometimes, arbitrary. Years of working to comply with these individual state requirements leads me to no other conclusion.

For any online program, a national reciprocity agreement such as the State Authorization Reciprocity Agreement (SARA) offers both a simpler approach to protecting students from inferior service and a higher bar for that service. Now it is true that Connecticut has both a competent higher education consumer protection service — Office of Higher Education (OHE) — and high standards for the performance of its licensed institutions. But it is equally true that every online program exports a product and brings revenue back into the state, and, as such, has a strong interest in consistent, efficient, and standardized approaches to registering in other markets. The nature of this online market is that it is disadvantageous for Connecticut to behave as if it is a special or unique market. For Charter Oak, just like for any institution similar to ours nationwide, the market is any student, anywhere.

Let me stress the key reasons that I encourage the legislature to adopt the reciprocity agreement:

- The status quo is unworkable and restricts the ability of Charter Oak to offer educational opportunities nationwide.
- No institution in a state that adopts SARA will be forced to participate. All institutional participation is optional, and the current regulatory structure will remain in place for institutions that do not participate. States join for free, and institutions pay much smaller fees to SARA than they do to each of the individual states.
- The consumer protection role required by the SARA agreement will be played in Connecticut by OHE, which has that role currently.

- The SARA standards, while not identical to Connecticut's current standards, are so similar as to guarantee no reduction in quality here at home.

I have been deeply involved in this concept nationally, as the Chair of the Board for the Presidents' Forum, the organization that, with Lumina Foundation funding, created the framework for the SARA agreement. While a new concept for state legislatures, the concept has become popular in higher education circles, and the regional higher education boards have signed on to facilitate the SARA process, lending legitimacy to this process as an important national effort. Just a few days ago, the state of Indiana became the first state to authorize participation in the agreement, and this idea is under consideration in other states as we speak.

Distance education is not a local industry. By definition, it defies geography and offers institutions the opportunity to sell their education products to the world. That means that quality assurance and consumer protections are more critical than ever, but should be just as borderless. SARA accomplishes both of those purposes — it raises the quality bar for many states and it creates a single national process for registration for those institutions that serve students beyond a physical campus structure.

I am happy to answer questions you may have about the inner workings of the agreement and its effect on our institutions.

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Testimony for
Higher Education and Employment Advancement Committee

From

Marsha Ham

Associate Vice President & Dean

College of Lifelong & eLearning

University of New Haven

March 4, 2014

On behalf of the University of New Haven and the distance learning students we currently serve and look forward to serving, I am submitting testimony on **HB 5361, AN ACT CONCERNING A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS**. The University of New Haven fully endorses HB 5361, which will permit the University and other higher education institutions in the State to participate in a state authorization reciprocity agreement (SARA).

A little over three years ago, the University of New Haven made the strategic decision to begin developing totally online programs as a way to extend the opportunity to participate in the quality of a UNH degree to a new audience of students who cannot come to campus due to life circumstances. In the fall of 2012 with the approval of the State Office of Higher Education and the New England Association of Schools and Colleges (NEASC), the University introduced the M.S. in Criminal Justice as its first online program.

With the introduction of the online MSCJ, the University began the process of seeking state authorization from each of the 50 states and territories to serve distance students. What we found was a convoluted maze of state requirements with no two states alike and in some cases of having to work through two different agencies within the same state. We were also one among hundreds of other higher education institutions vying for attention from each state and agency.

With tenacity and perseverance we finally managed to get exempt or authorized to offer our *first* online degree in all fifty states. With the introduction of our second online degree in the fall of 2013, we had to update our state authorization in all states.

To date the University has invested almost \$20,000 for two online programs for the right to serve distance students regardless of where they live. That amount will continue to grow significantly as the number of online programs and the numbers of students continue to increase

Why did the University of New Haven decide to invest the time and money to get exempt or authorized in every state? We did it for all the students who may ultimately decide that they

want the quality of a UNH degree in spite of the fact that they can never come to the West Haven campus to study. We did not want to be in the position to tell even one student that we could not accept them because we were not approved by their home state to serve them.

But, there is a better way. And that better way is through SARA, State Authorization Reciprocity Agreements

The SARA process has the potential to drastically improve the process of obtaining state authorizations by creating appropriately reasonable and necessary standards of practice across states while enabling individual states to focus more effectively on the higher education institutions within their state with regards to quality of the offerings and of student service

Ultimately, SARA will create a less costly endeavor and investment for states and institutions to better serve students at a distance.

By passing HB 5361, the Connecticut legislature will pave the way for each higher education institution within the State to decide for itself whether to participate in the SARA process or to "go it alone" or take the risk of ignoring compliance.

The benefits to students are important to recognize as a part of this decision making process. SARA will:

- Expand access to a wide array of high quality distance-based educational offerings.
- Lead to better resolution of complaints from students in SARA states,
- Reduce the growing authorization costs that ultimately get passed along to students, and
- Should enhance the overall quality of distance education programs.

If the Connecticut legislature approves HB 5361 (which I sincerely hope it does), I can assure you that the University of New Haven will be at the head of the queue at the New England Board of Higher Education to apply to participate in the SARA process.

Thank you for your consideration of my testimony.



STATE OF CONNECTICUT
Office of Higher Education

Testimony
by
Jane A. Ciarleglio
Executive Director, Office of Higher Education
before the
Higher Education and Employment Advancement Committee
11:00 a.m. – LOB Room 2C
Tuesday, March 4, 2014

Senator Cassano, Representative Willis, Senator Boucher, Representative LeGeyst and distinguished members of the Higher Education and Employment Advancement Committee, thank you for the opportunity to offer testimony this morning. I would like to speak to you about House Bill No. 5361 (RAISED) - AN ACT CONCERNING A STATE AUTHORIZATION RECIPROcity AGREEMENT REGARDING DISTANCE LEARNING PROGRAMS. The bill would authorize the Office of Higher Education to participate in a nation-wide reciprocity initiative. This initiative will allow institutions of higher education from across the country to offer online programming in Connecticut without participating in our state's approval process, which exists to ensure that minimum academic standards are in place for all students.

As required by statute, our agency is dedicated to promoting the highest standards for academic quality and ensuring consumer protection for all students in Connecticut. Colleges and universities in our state benefit from some of the most rigorous standards in the nation and, as a consequence, enjoy a reputation for academic excellence that serves to attract the best and brightest students, faculty, and researchers to our state. The economy and culture of Connecticut has reaped the benefits. Any proposal that compromises the academic quality of instruction or

limits student protections, regardless of the conveniences it may offer to certain institutions, is simply bad public policy.

Our Office is concerned that the reciprocity initiative in its current form would:

- 1) Jeopardize the quality of higher education in our state,
- 2) weaken student protections, and
- 3) expose institutions of higher education to greater competition for a shrinking pool of Connecticut students.

First, let me speak to the issue of the threat to our academic quality. As I noted earlier, this bill eliminates state assessment of the academic quality of out-of-state online programs offered to Connecticut residents. This would result in a two-tiered system within the state: one system for institutions with little or no standards that offer online instruction at discount prices and another system for Connecticut institutions whose students benefit from our higher standards and greater protections. Under the agreement, online programs would receive the same authorization by our Office as those programs offered by in-state institutions. Even though the online programs may fail to meet our state standards, they will be granted state authorization through the agreement. Students, unfortunately, may be more likely to enroll in such programs if they are under the false impression that the state has taken steps to ensure that the programming meets Connecticut licensing requirements for professional practitioners or, for example, allows for the transfer of credits to state institutions. In these cases, students stand to lose the state guarantee of academic quality, as well as their money and time.

The bill's assurance of academic quality rests solely upon institutional accreditation, whether national or regional. This creates several problems

- First, Connecticut does not permit nationally-accredited institutions to operate in our state because national accreditation standards are less rigorous than regional

accreditation standards. Credits earned from nationally- accredited institutions may not transfer into our regionally-accredited institutions.

- Second, the proposed reciprocity agreements rest solely upon institutional accreditation which is a multi-year process focused on self-improvement. This process is far different from the review and accreditation of individual programs, which the state ordinarily performs. Without programmatic assessment, there is no way to assure Connecticut students that the programs they enroll in meet the myriad of different requirements for professional licensure.
- Finally, accrediting bodies are not permitted to disclose certain findings that would reveal problems at the program level. This leaves everyone – students, faculty, administrators, and the public – in the dark about potential programmatic weaknesses such as insufficient resources or faculty qualifications, and further hinders transfer.

In short, as I'm sure you would agree, lowering academic standards is not the best way to increase access to higher education in the state.

The proposed bill also contains a definition of physical presence. How we define physical presence determines whether an institution falls within a given state's authorization and oversight. According to the definition in the proposed bill (which would apply equally to institutions from non-reciprocity states), only those institutions with a physical location in the state offering "real-time instruction" would require state approval. It is unclear how "real-time" is being defined, and the distinctions contained in the bill are arbitrary and in conflict with current state thresholds. We believe that such changes to the definition would provide too many loopholes for out-of-state institutions, allowing them to offer instruction in the state without meeting the same standards and providing the same protections as their Connecticut counterparts.

More troubling still, the obligations imposed upon the Office of Higher Education by the proposed bill raise serious legal issues. For instance, the Office would be responsible for investigating complaints against institutions located outside of the state, yet our Office does not have the legal authority to do so. Despite its statutory obligation, the state could not address the complaints of its residents enrolled in out-of-state programs through the agreement. We strongly believe that all Connecticut students deserve the same state protections, especially those students who may be enticed to enroll in distance education programs of questionable rigor and value.

Additionally, student protections would be weakened by language in the bill that removes certain advertising restrictions. According to subsection (j), for example, any person or corporation from outside of the state can use terms like "college" and "university" to identify themselves in their Connecticut advertisements. At a time when many institutions of higher education have been accused of predatory recruitment practices and false claims, this sets a dangerous precedent. We believe that all Connecticut students should be protected from any person or organization that seeks to advertise in the state as an institution of higher education. This is long-standing state policy and practice.

Further, by opening the crowded higher education market to both for-profit and non-profit institutions that are not held to any academic standards, we run the risk of placing at a competitive disadvantage our own colleges and universities that invest heavily in quality education programming. We are proud of the academic reputations of our Connecticut institutions of higher education and should not jeopardize their ability to attract and retain state students by enticing institutions of lesser quality into Connecticut, all for the sake of reducing the costs and administrative burdens of offering distance education nationwide.

In short, this proposed bill will harm our students in a variety of ways, making it easier for them to enroll in programs that fail to meet basic standards and offer comprehensive student protections. Such an agreement would encourage some institutions to seek out those states within

the agreement that have the least oversight. From those states, institutions could automatically provide their services to students in other states like Connecticut that have high standards. With so much recent discussion about questionable practices in both the for-profit and non-profit academic sectors, with state demographics leading to lower enrollment numbers at many of our state's colleges and universities, we cannot support the proposed statutory changes that will lower standards, decrease student protections, and make it easier for less reputable colleges and universities to offer their programs in Connecticut.

But let me add that despite the many problems posed by this legislation, the idea of a reciprocity agreement for the purposes of state authorization is worthy of consideration. At the very least, state regulators – who are objective experts in the field and uniquely able to see the entire higher education landscape – should be a party to the development of the agreement that they are ultimately responsible for overseeing. We believe that by continuing our discussion with other states and all interested parties we will reach a consensus that will benefit all Connecticut colleges and universities and allow for more rigorous quality assurance and student protection measures. Connecticut students deserve nothing less.

Thank you for your time and I'm happy to answer any questions you may have.



STATE OF CONNECTICUT
Office of Higher Education



MASSACHUSETTS
Department of
Higher Education

January 13, 2014

Michael K. Thomas, President and CEO
New England Board of Higher Education
45 Temple Place
Boston, MA 02111

HB5361

Dear Dr. Thomas:

After discussions with you and your staff and other interested parties regarding the State Authorization Reciprocity Agreement (SARA), Connecticut's Office of Higher Education and the Massachusetts Department of Higher Education, the state agencies vested with the authority to enter into the agreement, have identified multiple issues with the agreement, some of them listed below. Our respective agencies are dedicated to promoting the highest standards for academic quality and ensuring consumer protection for all students in the state. Institutions in both states adhere to some of the most rigorous standards in the nation and, as a consequence, enjoy a reputation for academic excellence that serves to attract the best and brightest students, faculty, and researchers to our states. The economies and cultures of both states have reaped the benefits. Any proposal that compromises the academic quality of instruction or limits student protections, regardless of the conveniences it may offer to certain institutions, is simply bad public policy.

Our overriding concern is that SARA will reduce the quality standards of the programs that currently fall under our jurisdiction. Reciprocity, per se, is not an ill-conceived approach and one that we would generally support were it not for the lack of quality standards and consumer protection safeguards.

Outlined below are some of our concerns, which broadly fall within three areas: academic quality, the definition of physical presence, and the role of the state.

1. Quality

- According to section 6.3 of the agreement, accreditation by an accreditation agency that is federally recognized to accredit distance education programs serves as the primary means of quality assurance. This may be problematic for three reasons: 1) The mission and standards of federally recognized national and regional accrediting bodies are vastly different and do not provide for the same level of quality assurance; 2) such agencies generally accredit institutions, not programs, which will not be reviewed for adherence to academic standards and licensing or certification requirements; and 3) although quality assurance depends upon the timely submission of adverse actions regarding distance education by recognized accrediting bodies, such accrediting bodies are under no obligation to do so and, in some cases, cannot do so without violating their own policies on public disclosure.

- According to section 7.3 of the agreement, independent institutions demonstrate fiscal integrity to the state authorizing agencies by meeting or surpassing minimum thresholds on federal financial responsibility scores. Federal financial responsibility scores, however, are not made available until many months and sometimes years have passed since the submission of the audited reports. Such unpredictable and lengthy delays in reporting may raise serious questions about the reliance upon those scores as a single measure of institutional solvency and financial health.

2. Physical Presence

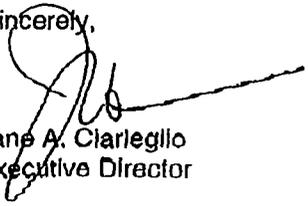
- According to section 2.4.1 of the NE-SARA agreement, a participating state must adopt a definition of physical presence that permits "short courses" and other on-ground instruction consisting of up to 25 percent of a given course. Such activities constitute instruction that occurs in the presence of both the instructor and student and, therefore, would serve as physical presence triggers for state regulation and represent doing business in our respective states. These activities do not take place online or via distance; they represent traditional brick-and-mortar instruction. Moreover, the distinctions made for exemption seem arbitrary and provide unnecessary loopholes for institutions to offer on-ground instruction without state oversight. Our states cannot agree to waive their obligations to students paying for on-ground instruction within our states.

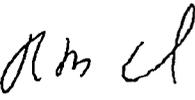
3. State Role

- According to section 4.1.4 of the agreement, a state agency must be empowered to investigate and resolve complaints that may originate outside of the state. Our states do not have such authority, nor can they cede authority to another state that seeks to extend its jurisdiction into our respective states.
- The added responsibilities of the state authorizing agencies are significant and recurring. According to section 4.1.7 the agreement, the resources required to support such additional activities cannot come from fees obtained from institutions that are based in participating states. Our states cannot relinquish their ability to obtain the funds needed to fulfill their contractual obligations nor can they fairly place that financial burden on the in-state schools, not all of which will participate.

It is our hope that we can continue to work together to resolve all of the issues presented by the SARA agreement while upholding the high academic standards and student protection measures expected by the citizens of our states.

Sincerely,


Jane A. Carleglio
Executive Director


Richard M. Freeland
Commissioner

c: Timothy J. Donovan, Chancellor, Vermont State College
Clark Greene, Interim Commissioner, Rhode Island Office of Higher Education
Todd Leach, Chancellor, University System of New Hampshire
James H. Page, Chancellor, University of Maine System

SENATOR CASSANO: Steve Bender. Did he leave?

Mike Hayden.

Dawn McDaniel.

Welcome, Dawn.

DAWN MCDANIEL: Thank you.

Good afternoon, Senator Cassano, Representative Willis, and esteemed members of the Higher Education and Employment Advancement Committee.

I am Dawn McDaniel, the executive vice president of the Connecticut Veterans Chamber of Commerce. We represent 42,000 veteran-owned businesses across the state, that represent 8 percent of the state's GDP. We also represent the voice of 200,000 veterans across the state.

I'd like -- I submitted written testimony, and I just wanted to highlight a couple of bills that we are supportive of. We are supportive of House Bill 5361, AN ACT CONCERNING A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING DISTANT LEARNING PROGRAMS, and Senate -- House Bill 5469, AN ACT CONCERNING WORKFORCE DEVELOPMENT.

With the reciprocity bill we support this legislation as it encourages service members to return to Connecticut after their military service. Many people are not aware that military veterans when they leave the service, can just go back to any state they want and become immediate residents. We want to encourage them to return to Connecticut.

We have about 8,000 veterans, it's estimated, that will leave the service with the downsizing

by 2017 and returning to Connecticut. We want to get them -- as many people here as possible.

The reciprocity agreement also helps with military spouses who are stationed here. They don't get to select New London as their base of choice necessarily, and so spouses come with their service member and often time have to transfer credits and other kinds of distance learning programs -- courses. So we definitely support that. We think it's good for the economic viability of military families and service members and veterans.

The other one is an act concerning workforce development. We support this and urge the committee to set a goal to have at least a veteran perspective on that study. Sometimes it's easy to overlook the veteran perspective and I think it contributes a great deal to the workforce development in general.

So veterans are a -- they have significant high unemployment right now and underemployment. Especially among military spouses, I've heard numbers close to 90 percent of underemployment among that community.

So having that veteran perspective, that military family perspective, will add a richer discussion and provide more comprehensive opportunities for moving forward.

And I am here to answer any questions you may have.

REP. WILLIS: Thank you very much and thank you for your testimony today, and for your comments on the bill that we -- on veteran --

DAWN MCDANIEL: 5207.

REP. WILLIS: Thank you, 5207. So that was -- that's very helpful for us and, hopefully, we'll be voting on that bill on Thursday coming out of committee.

So, thank you very much. You're -- you were very helpful when we redrafted the bill, so.

DAWN MCDANIEL: Oh, good. Thank you.

REP. WILLIS: Any other questions or comments?

Senator Cassano.

SENATOR CASSANO: Very quick comment. I'm glad you brought up the idea of the spouse. And talking to just over the last couple of weeks with people coming back, military, didn't know that spouses were eligible and I think we've got to get their message out because that is a big part of this.

Thank you.

REP. WILLIS: Representative Ackert.

REP. ACKERT: Thank you, Madam Chair.

And thank you for your testimony. So I'm just going over your comments regarding 5469, the ACT CONCERNING WORKFORCE DEVELOPMENT. You had mentioned having a voice, getting the word out. I would imagine they would reach out to either your administration or something, or do you -- is there another way that you can the veterans voice in terms of matters of the -- that -- that study?

DAWN MCDANIEL: Well, unfortunately, the reality is that the veteran population is only 1 percent



Connecticut Higher Education and Employment Advancement Committee
March 11, 2014 Public Hearing

Testimony in favor of bills HB 5361 & HB 5469.

Good afternoon Senator Cassano, Representative Willis, Senator Boucher, Representative LeGeyt, and distinguished members of the Higher Education and Employment Advancement Committee. I am Dawn A. McDaniel, Executive Vice President of the Connecticut Veterans Chamber of Commerce. The Connecticut Veterans Chamber of Commerce seeks to foster growth and opportunity for veteran-owned businesses and veterans transitioning to the workforce.

The Connecticut Veterans Chamber of Commerce represents the voice of over 42,000 veteran owned businesses in the state, accounting for 8% of the state's GDP. Studies have shown that Veterans operate successful businesses and are more likely to hire veterans. Over the past four years, the UConn Entrepreneur Bootcamp for Veterans with Disabilities has invested \$1.2 Million into veteran-owned businesses, which has resulted in \$7 Million in gross revenues and workforce opportunities. We support state legislation that lowers barriers to entry to business ownership, economic reintegration, workforce development, and transition to the civilian sector.

In Connecticut, the unemployment rate among the veteran population is about 8%. These brave few support our nation's freedoms and offer unrelenting support in the state's time of need, yet return home to economic challenges and a restricted business market. Servicemembers, veterans, and their families need viable opportunities for a successful transition.

When military servicemembers leave the Armed Forces, they can obtain immediate residency in any state in the nation. Increased jobs and opportunity is the best resource we can offer veterans as we seek to retain them within the state.

We appreciate the committee's efforts to provide opportunities for state residents. We urge the committee to seek out opportunities to include veterans in education and workforce development initiatives throughout the session, and we look forward to serving as a resource to the committee. Thank you for this opportunity to provide testimony, and we are available to answer any questions.



Connecticut Veterans
Chamber of Commerce

Bills Supported by the Connecticut Veterans Chamber of Commerce

HB – 5361 AN ACT CONCERNING A STATE AUTHORIZATION RECIPROCITY AGREEMENT REGARDING
DISTANCE LEARNING PROGRAMS.

We support this legislation, as it encourages servicemembers to return to Connecticut after their military service, and supports military spouses who relocate to Connecticut due to military duty. Veterans and military spouses who start education in other states or while on active duty and can more easily transfer credits to Connecticut has a positive impact on migration to Connecticut and retention within the state.

HB-5469 AN ACT CONCERNING WORKFORCE DEVELOPMENT.

We support a study of workforce development, and urge the committee to recommend that at least one member on the study represents the veteran perspective. Having this perspective will offer richer discussion, and provide insight to identifying tangible, effective ways to integrate veterans into the broader workforce solution.

Creating opportunities for veterans in the workforce is an important step to reducing the unemployed and homeless veteran population in Connecticut.