



# House of Representatives

General Assembly

**File No. 156**

January Session, 2025

Substitute House Bill No. 6445

*House of Representatives, March 20, 2025*

The Committee on Higher Education and Employment Advancement reported through REP. HADDAD of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## ***AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE OFFICE OF HIGHER EDUCATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 10a-57f of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2025*):

3 (a) As used in this section:

4 (1) "Connecticut institution of higher education" means an institution  
5 of higher education that (A) conducts instructional activities at a  
6 physical location in the state, or (B) maintains an administrative office  
7 in the state; and

8 (2) "Out-of-state institution of higher education" means an institution  
9 of higher education that (A) is not a Connecticut institution of higher  
10 education, and (B) is authorized, licensed or accredited by another state.

11 [(a) Not later than January 1, 2017, the] (b) The Office of Higher  
12 Education shall enter into a multistate or regional reciprocity agreement

13 for purposes of enabling the state and Connecticut institutions of higher  
14 education to participate in a nation-wide state authorization reciprocity  
15 agreement (1) establishing uniform standards for distance learning  
16 programs across states, and (2) eliminating the need for a state  
17 participating in the state authorization reciprocity agreement to assess  
18 the quality of a distance learning program offered by an out-of-state  
19 institution of higher education through the participating state's  
20 authorization, licensing and accreditation process. Notwithstanding the  
21 provisions of part III of this chapter and upon the Office of Higher  
22 Education entering into the multistate or regional reciprocity  
23 agreement, an out-of-state institution of higher education that  
24 participates in the state authorization reciprocity agreement may  
25 operate a distance learning program in the state in accordance with the  
26 uniform standards.

27     [(b)] (c) Any Connecticut institution of higher education that seeks to  
28 participate in the nation-wide state authorization reciprocity agreement  
29 under subsection [(a)] (b) of this section shall submit an application with  
30 the Office of Higher Education on a form prescribed by the office. The  
31 office shall approve or reject the institution's application in accordance  
32 with the terms of such agreement. Authorization by the office to  
33 participate in such agreement shall be valid for a period of one year and  
34 may be renewed by the office for additional one-year periods. The office  
35 shall establish a schedule of application and renewal fees for all  
36 Connecticut institutions of higher education that participate in such  
37 agreement. The fee schedule shall be graduated based on the number of  
38 full-time equivalent students at each Connecticut institution of higher  
39 education.

40     [(c)] (d) Any out-of-state institution of higher education that does not  
41 participate in the nation-wide, state authorization reciprocity agreement  
42 and seeks to operate a distance learning program in the state shall  
43 submit an application to the Office of Higher Education on a form  
44 prescribed by the office. Each institution shall agree to abide by  
45 standards, similar to those in the nation-wide, state authorization  
46 reciprocity agreement and established by the office. The office shall

47 approve or reject the institution's application in accordance with the  
48 standards established by the office. Authorization by the office to  
49 operate a distance learning program in the state shall be valid for a  
50 period of one year and may be renewed by the office for additional one-  
51 year periods. The office shall establish a schedule of application and  
52 renewal fees for all out-of-state institutions of higher education that do  
53 not participate in the nation-wide, state authorization reciprocity  
54 agreement and are approved by the office. The fee schedule shall be  
55 graduated based on the number of full-time equivalent students  
56 enrolled at each out-of-state institution of higher education.

57 [(d)] (e) Nothing in subsection [(a)] (b) of this section shall be  
58 construed to affect the authority of the Attorney General to enforce the  
59 provisions of chapter 735a or Title X of the Dodd-Frank Wall Street  
60 Reform and Consumer Protection Act, P.L. 111-203, as amended from  
61 time to time.

62 Sec. 2. Section 10a-22c of the general statutes is repealed and the  
63 following is substituted in lieu thereof (*Effective July 1, 2025*):

64 (a) No certificate to operate a private career school shall be authorized  
65 by the commissioner, or the commissioner's designee, if (1) any  
66 principal, officer, member or director of the applicant school has acted  
67 in a similar capacity for a private career school which has had its  
68 authorization revoked pursuant to section 10a-22f; (2) the applicant  
69 school does not have a net worth consisting of sufficient liquid assets or  
70 other evidence of fiscal soundness to operate for the period of time for  
71 which authorization is sought; (3) the applicant school or any of its  
72 agents engages in advertising, sales, collection, credit or other practices  
73 which are false, deceptive, misleading or unfair; (4) the applicant school  
74 has any policy which discourages or prohibits the filing of inquiries or  
75 complaints regarding the school's operation with the commissioner; (5)  
76 the applicant school fails to satisfactorily meet the criteria set forth in  
77 subsection (g) of section 10a-22b, or, on and after the effective date of  
78 regulations adopted pursuant to section 10a-22k, the criteria set forth in  
79 such regulations; (6) a private career school that has previously closed

80 fails to follow the procedures for school closure under section 10a-22m;  
81 or (7) the applicant school does not have a director located at the school  
82 and at each of its branches in this state.

83 (b) The commissioner may deny a certificate of authorization if the  
84 person who owns or intends to operate a private career school has been  
85 convicted in this state, or any other state, of larceny in violation of  
86 section 53a-122 or 53a-123; identity theft in violation of section 53a-129b  
87 or 53a-129c; forgery in violation of section 53a-138 or 53a-139; or has a  
88 criminal record in this state, or any other state, that the commissioner  
89 reasonably believes renders the person unsuitable to own and operate a  
90 private career school. A refusal of a certificate of authorization under  
91 this subsection shall be made in accordance with the provisions of  
92 sections 46a-79 to 46a-81, inclusive.

93 (c) No certificate to operate a private career school shall be issued by  
94 the commissioner pursuant to section 10a-22d, as amended by this act,  
95 until such private career school seeking authorization files with the  
96 commissioner certificates indicating that the buildings and premises for  
97 such school meet all applicable state and local fire and zoning  
98 requirements. Such certificates shall be attested to by the fire marshal  
99 and zoning enforcement officer within the municipality in which such  
100 school is located.

101 (d) No certificate to operate a new private career school shall be  
102 issued by the commissioner pursuant to section 10a-22d, as amended by  
103 this act, until such private career school seeking authorization files with  
104 the commissioner an irrevocable letter of credit issued by a bank with  
105 its main office or branch located within this state in the penal amount of  
106 forty thousand dollars guaranteeing the payments required of the  
107 school to the private career school student protection account in  
108 accordance with the provisions of section 10a-22u, except that, any letter  
109 of credit issued on and after the effective date of the regulations adopted  
110 pursuant to section 10a-22k, shall be in a penal amount specified in such  
111 regulations. The letter of credit shall be payable to the private career  
112 school student protection account in the event that such school fails to

113 make payments to the account as provided in subsection (a) of section  
114 10a-22u or in the event the state takes action to reimburse the account  
115 for a tuition refund paid to a student pursuant to the provisions of  
116 section 10a-22v, provided the amount of the letter of credit to be paid  
117 into the private career school student protection account shall not  
118 exceed the amounts owed to the account. In the event a private career  
119 school fails to close in accordance with the provisions of section 10a-  
120 22m, the commissioner may seize the letter of credit, which shall be  
121 made payable to the private career school protection account.

122 (e) No certificate to operate a private career school shall be renewed  
123 by the commissioner pursuant to section 10a-22d, as amended by this  
124 act, if such private career school seeking authorization has not enrolled  
125 any students continually during the previous two calendar years. Upon  
126 the expiration of such private career school's authorization, such private  
127 career school shall follow the procedures for school closure set forth in  
128 section 10a-22m.

129 ~~[(e)]~~ (f) The commissioner shall notify the applicant private career  
130 school, by certified mail, return receipt requested of the decision to grant  
131 or deny a certificate of authorization not later than sixty days after  
132 receiving the written report of the evaluation team appointed pursuant  
133 to subsection (e) of section 10a-22b.

134 Sec. 3. Subsection (e) of section 10a-22d of the general statutes is  
135 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
136 *2025*):

137 (e) Notwithstanding the provisions of sections 10a-22a to 10a-22o,  
138 inclusive, the commissioner may authorize the extension of the most  
139 recent certificate of authorization for a period not to exceed [sixty]  
140 ninety days for good cause shown, provided such extension shall not  
141 change the date of the original certificate's issuance or the date for each  
142 renewal.

143 Sec. 4. Section 10a-34 of the general statutes is repealed and the  
144 following is substituted in lieu thereof (*Effective July 1, 2025*):

145 (a) For the purposes of this section, (1) "program of higher learning"  
146 means any course of instruction for which it is stated or implied that  
147 college or university-level credit may be given or may be received by  
148 transfer, including any course offered by dual enrollment; (2) "degree"  
149 means any letters or words, diploma, certificate or other symbol or  
150 document which signifies satisfactory completion of the requirements  
151 of a program of higher learning; (3) "institution of higher education"  
152 means any person, school, board, association, limited liability company  
153 or corporation which is authorized to offer one or more programs of  
154 higher learning leading to one or more degrees; (4) "authorization"  
155 means the approval by the Office of Higher Education to operate or  
156 continue operating a program of higher learning or institution of higher  
157 education for subsequent periods, and in such periods to confer  
158 specified degrees; (5) "program modification" means (A) a change in a  
159 program of higher learning that does not clearly qualify as a new  
160 program of higher learning or a nonsubstantive change, including, but  
161 not limited to, a new program of higher learning consisting primarily of  
162 course work for a previously approved program of higher learning, (B)  
163 an approved program of higher learning to be offered at an off-campus  
164 location, (C) a change in the title of a degree, or (D) a change in the title  
165 of a program of higher learning; [and] (6) "nonsubstantive change"  
166 means (A) a new undergraduate certificate program, within an existing  
167 program of higher learning, of not more than thirty semester credit  
168 hours that falls under an approved program of higher learning, (B) a  
169 new baccalaureate minor of not more than eighteen semester credit  
170 hours, (C) a new undergraduate option or certificate program of not  
171 more than fifteen semester credit hours, or (D) a new graduate option  
172 or certificate program of not more than twelve semester credit hours;  
173 and (7) "change of ownership" means a transaction involving an  
174 institution of higher education that results in a change of control of such  
175 institution, including, but not limited to, a (A) sale of such institution,  
176 (B) transfer of the controlling interest of stock of such institution or a  
177 parent corporation of such institution, (C) merger of two or more  
178 institutions of higher education, (D) division of such institution into two  
179 or more institutions of higher education, (E) transfer of liabilities of such

180 institution to a parent corporation of such institution, (F) transfer of  
181 assets that comprise a substantial portion of the educational assets of  
182 such institution, unless the transfer consists exclusively of granting a  
183 security interest in such assets, or (G) change in the status of such  
184 institution as a public, nonprofit or for-profit institution of higher  
185 education.

186 (b) The Office of Higher Education shall establish regulations, in  
187 accordance with chapter 54, concerning the requirements for  
188 authorization, administration, finance, faculty, curricula, library,  
189 student admission and graduation, plant and equipment, records,  
190 catalogs, program announcements and any other criteria pertinent  
191 thereto, as well as the periods for which authorization may be granted,  
192 and the costs and procedures of evaluations as provided in subsections  
193 (c), (d) and (i) of this section.

194 (c) No person, school, board, association or corporation shall confer  
195 any degree unless authorized by act of the General Assembly. No  
196 application for authority to confer any such degree shall be approved  
197 by the General Assembly or any committee thereof, nor shall any such  
198 authority be included in any charter of incorporation until such  
199 application has been evaluated and approved by the Office of Higher  
200 Education in accordance with regulations established by the Office of  
201 Higher Education.

202 (d) The Office of Higher Education shall review all requests and  
203 applications for program modifications, nonsubstantive changes, [and]  
204 authorizations and change of ownership. The office shall review each  
205 application in consideration of the academic standards set forth in the  
206 regulations for authorization adopted by said office in accordance with  
207 the provisions of subsection (b) of this section. Notwithstanding the  
208 provisions of section 10a-34e, any application that is determined by the  
209 office to be for (1) a program modification that meets all such academic  
210 standards, (2) a nonsubstantive change, or (3) authorization shall be  
211 deemed approved, and the office shall notify the institution of such  
212 approval, not later than forty-five days from the date the office receives

213 such application without requiring any further action from the  
214 applicant.

215 (e) If the Commissioner of Higher Education, or the commissioner's  
216 designee, determines that further review of an application is needed due  
217 at least in part to the applicant offering instruction in a new program of  
218 higher learning or new degree level or the financial condition of the  
219 institution of higher education is determined to be at risk of imminent  
220 closure as a result of a financial screening conducted pursuant to the  
221 provisions of section 10a-34h, then the commissioner or the  
222 commissioner's designee shall conduct a focused or on-site review. Such  
223 applicant shall have an opportunity to state any objection regarding any  
224 individual selected to review an application on behalf of the  
225 commissioner. For purposes of this subsection and subsection (f) of this  
226 section, "focused review" means a review by an out-of-state curriculum  
227 expert; and "on-site review" means a full team evaluation by the office  
228 at the institution of higher education.

229 (f) The Commissioner of Higher Education, or the commissioner's  
230 designee, may require (1) a focused or on-site review of any program  
231 application in a field requiring a license to practice in Connecticut, and  
232 (2) evidence that a program application in a field requiring a license to  
233 practice in Connecticut meets the state or federal licensing requirements  
234 for such license.

235 (g) Any application for authorization of a new institution in this state  
236 shall be subject to an on-site review upon a determination by the Office  
237 of Higher Education that the application is complete and shall be  
238 reviewed at the institutional level for each program as described in  
239 subsection (b) of this section. Such process shall be completed not later  
240 than nine months from the date said office receives the application.

241 (h) If the Office of Higher Education denies an application for  
242 authorization of a program or institution of higher education, the  
243 applicant may appeal the denial not later than ten days from the date of  
244 denial. The office shall conduct a hearing in accordance with the  
245 requirements of chapter 54 to hear such appeal.



246 (i) No person, school, board, association or corporation shall operate  
247 a program of higher learning or an institution of higher education unless  
248 it has been authorized by the Office of Higher Education, nor shall it  
249 confer any degree unless it has been authorized in accordance with this  
250 section. The office shall accept accreditation recognized by the Secretary  
251 of the United States Department of Education, in satisfaction of the  
252 requirements of this subsection unless the office finds cause not to rely  
253 upon such accreditation. If any institution of higher education provides  
254 evidence of programmatic accreditation, the office may consider such  
255 accreditation in satisfaction of the requirements of this subsection and  
256 deem the program at issue in the application for accreditation to be  
257 accredited in accordance with this section.

258 (j) No person, school, board, association or corporation shall use in  
259 any way the term "junior college" or "college" or "university" or use any  
260 other name, title, literature, catalogs, pamphlets or descriptive matter  
261 tending to designate that it is an institution of higher education, or that  
262 it may grant academic or professional degrees, unless the institution has  
263 been authorized by the office, nor shall it offer any program of higher  
264 learning without authorization of the Office of Higher Education.

265 (k) Authorization of any program or institution or authority to award  
266 degrees granted in accordance with law prior to July 1, 1965, shall  
267 continue in effect unless the Office of Higher Education determines that  
268 an institution is at risk of imminent closure as a result of a financial  
269 screening conducted pursuant to the provisions of section 10a-34h.

270 (l) Notwithstanding the provisions of subsections (b) to (j), inclusive,  
271 of this section and subject to the authority of the State Board of  
272 Education to regulate teacher education programs, an independent  
273 institution of higher education, as defined in section 10a-173, shall not  
274 require approval by the Office of Higher Education for any new  
275 programs of higher learning or any program modifications proposed by  
276 such institution, provided (1) the institution maintains eligibility to  
277 participate in financial aid programs governed by Title IV, Part B of the  
278 Higher Education Act of 1965, as amended from time to time, (2) the

279 United States Department of Education has not determined that the  
 280 institution has a financial responsibility score that is less than 1.5 for the  
 281 most recent fiscal year for which the data necessary for determining the  
 282 score is available, and (3) the institution has been located in the state and  
 283 accredited as a degree-granting institution in good standing for ten  
 284 years or more by a regional accrediting association recognized by the  
 285 Secretary of the United States Department of Education and maintains  
 286 such accreditation status. Each institution that is exempt from program  
 287 approval by the Office of Higher Education under this subsection shall  
 288 (A) on or before the last date of each semester, but not less frequently  
 289 than annually, update the credentials database, established pursuant to  
 290 the provisions of section 10a-35b, with any new programs of higher  
 291 learning that were introduced or any existing programs of higher  
 292 learning that were modified or discontinued during such semester, and  
 293 (B) not later than July 1, 2024, and annually thereafter, file with the office  
 294 (i) the institution's current program approval process and all actions of  
 295 the governing board concerning approval of any new program of higher  
 296 learning, and (ii) the institution's financial responsibility composite  
 297 score, as determined by the United States Department of Education, for  
 298 the most recent fiscal year for which the data necessary for determining  
 299 the score is available.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2025	10a-57f
Sec. 2	July 1, 2025	10a-22c
Sec. 3	July 1, 2025	10a-22d(e)
Sec. 4	July 1, 2025	10a-34

**Statement of Legislative Commissioners:**

In Section 4(a)(7)(B) and (E), "of such institution" was inserted after "parent corporation" for clarity.

**HED**      *Joint Favorable Subst.*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

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### **OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** None

### **Explanation**

The bill has no fiscal impact to the Office of Higher Education (OHE). It: (1) clarifies the definition of in-state and out-of-state institutions of higher education for certain purposes; (2) makes changes to renewal requirements for authorization of private career schools; and (3) requires the Office of Higher Education to approve a change of ownership of a private institution of higher education. These changes are not expected to impact the cost to OHE of fulfilling its regulatory responsibilities.

**OLR Bill Analysis****sHB 6445*****AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE  
OFFICE OF HIGHER EDUCATION.*****SUMMARY**

This bill makes various changes in Office of Higher Education (OHE)-related laws and programs, which include:

1. defining a “Connecticut institution of higher education” and an “out-of-state institution of higher education” as they relate to authorization for distance learning and related OHE oversight activities;
2. prohibiting private career schools from renewing their certificate to operate if they have not enrolled any students continually during the previous two calendar years;
3. increasing, from 60 to 90 days, the length of time the commissioner can extend a private career school’s authorization for good cause; and
4. requiring OHE to review requests and applications regarding an ownership change for a higher education institution.

EFFECTIVE DATE: July 1, 2025

**DISTANCE LEARNING**

For purposes of the law on distance learning reciprocity, the bill defines a “Connecticut institution of higher education” as an institution that either (1) conducts instructional activities at a physical location in the state or (2) maintains an administrative office in the state. It defines an “out-of-state institution of higher education” as one that (1) does not fall under the above definition and (2) is authorized, licensed, or accredited by another state.

Specifically, these definitions apply to the existing law on OHE's multistate or regional reciprocity agreement that allows Connecticut and its higher education institutions to participate in a nationwide state authorization reciprocity agreement on distance learning programs. The nationwide agreement (1) establishes uniform standards across states and (2) eliminates the need for participating states to assess the program quality offered by an out-of-state institution.

Under this law, Connecticut institutions seeking to participate in the nationwide agreement must apply to OHE, and OHE must approve or reject the application under the agreement's terms. Participating out-of-state institutions can operate distance learning programs here under the agreement's standards. Out-of-state institutions that do not participate in the agreement must apply to OHE if they seek to offer these programs here.

#### **PRIVATE CAREER SCHOOL CERTIFICATION RENEWAL OR EXTENSION**

The bill prohibits OHE from renewing a private career school's certificate to operate if the school has not enrolled any students continually during the previous two calendar years. Under the bill, these schools must close according to statutory procedures when their current certificate expires. By law, these procedures include verifying that coursework is complete, no refunds are due, and student records are going to be maintained.

The bill also increases, from 60 to 90 days, the length of time the commissioner can extend a private career school's authorization if (1) good cause is shown, and (2) the extension would not change the date of the original certificate's issuance or the date for each renewal.

#### **REVIEWING CHANGE OF OWNERSHIP REQUESTS FOR AN INSTITUTION OF HIGHER EDUCATION**

The bill requires OHE to review requests and applications regarding change of ownership for a higher education institution. Under existing law, OHE generally reviews requests for program modifications, non-substantive changes, and authorizations.

Generally, the bill defines a “change of ownership” as a transaction, such as a sale, merger, or transfer, involving a higher education institution that results in a change of control over the institution. The term includes the transfer of a substantial portion of the institution’s educational assets, but it does not cover transfers that are exclusively granting a security interest in those assets. The term also includes a change in the status of an institution as a public, nonprofit, or for-profit institution.

**COMMITTEE ACTION**

Higher Education and Employment Advancement Committee

Joint Favorable Substitute

Yea    18    Nay   0    (02/27/2025)