

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 12-0486.01 Julie Pelegrin x2700

SENATE BILL 12-164

SENATE SPONSORSHIP

Heath and King K.,

HOUSE SPONSORSHIP

Massey and Todd,

Senate Committees

Education
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE OPERATION OF PRIVATE POSTSECONDARY**
102 **INSTITUTIONS IN COLORADO, AND, IN CONNECTION THEREWITH,**
103 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill makes several changes to the existing statutes concerning authorization of private colleges and universities and seminaries and bible colleges (private institutions) in the state, including changing the term "bible college" to "religious training institution". The changes generally

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
April 23, 2012

clarify the types of institutions that are subject to authorization and specifically require the Colorado commission on higher education (commission) and the department of higher education (department) to set procedures for authorizing, renewing, and revoking the authorizations for private institutions. The commission must also set the amount of the fees that a private institution pays for the administration of the authorization process, including a separate fee if a private institution seeks approval of an educator preparation program. Each private institution must also report specified student information.

Each private institution must obtain authorization for each campus, branch, or site that is separately accredited and operates in Colorado. Authorizations for private colleges and universities are based on the institution's accreditation and are subject to renewal every 3 years or on the same schedule that applies for renewing the institution's accreditation, whichever is longer. Authorizations for seminaries and religious training institutions are based on whether the institution continues to meet the definition for seminary or religious training institution. The bill clarifies the process and standards for renewing authorizations and the conditions and procedures under which the commission may revoke a private institution's authorization or place the authorization on probationary status.

Under current law, a private institution that ceases operations must tell the department where it will store its records. The bill requires the private institution to turn its records over to the department, authorizes the commission to seek a court order to seize the records in certain circumstances, and makes the records subject to the open records statutes. The department must keep the records for specified periods.

Private colleges or universities that meet specified criteria are not required to file a surety or to otherwise demonstrate financial integrity. Each private college or university that does not meet the criteria must demonstrate financial integrity based on evidence that it meets other criteria. If the private college or university cannot demonstrate financial integrity, it must post surety in a specified amount, which surety may be in the form of a bond, that the commission can use to reimburse students for a loss of tuition or fees or to provide services if the institution ceases to operate in Colorado or a student files a claim against the institution. If a private college or university that does not post surety ceases operations in the state, the attorney general may file a claim on behalf of students to recover any unearned, prepaid tuition.

The department must maintain a list of authorized private institutions and establish a process for reviewing and acting on complaints against a private institution. The commission may negotiate reciprocal agreements with other states to assist in implementing authorizations for private institutions.

The bill changes the terms of members appointed to the private

occupational schools board (board) so that fewer members will be appointed at one time. The current law authorizes a student enrolled in a private occupational school to file with the board a complaint against the school. Under the bill, the student must first exhaust any complaint procedures that the school has in place.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 23-2-102 as
3 follows:

4 **23-2-102. Definitions.** As used in this article, unless the context
5 otherwise requires:

6 (1) "ALTERNATE ENROLLMENT" MEANS THE OPPORTUNITY FOR A
7 STUDENT ENROLLED IN A PRIVATE COLLEGE OR UNIVERSITY THAT CEASES
8 OPERATION TO MEET THE STUDENT'S EDUCATIONAL OBJECTIVES THROUGH
9 EDUCATION PROVIDED BY ANOTHER AUTHORIZED PRIVATE COLLEGE OR
10 UNIVERSITY, A COMMUNITY COLLEGE, AN AREA VOCATIONAL SCHOOL, OR
11 ANY OTHER EDUCATIONAL ARRANGEMENT ACCEPTABLE TO THE
12 DEPARTMENT AND THE COMMISSION.

13 (2) "AUTHORIZATION" MEANS THE AUTHORIZATION GRANTED TO
14 A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
15 INSTITUTION BY THE COMMISSION AS PROVIDED IN THIS ARTICLE AND THE
16 POLICIES ADOPTED PURSUANT TO THIS ARTICLE. AUTHORIZATION IS NOT
17 AN ENDORSEMENT OF THE INSTITUTION BY EITHER THE COMMISSION OR
18 THE DEPARTMENT.

19 ~~(1)~~ (3) "Commission" means the Colorado commission on higher
20 education created pursuant to section 23-1-102.

21 ~~(1.3)~~ (4) "Degree" means ~~any~~ A statement, diploma, certificate, or
22 other writing in any language ~~which~~ THAT indicates or represents, or
23 ~~which~~ THAT is intended to indicate or represent, that the person named

1 thereon is learned in or has satisfactorily completed a prescribed course
2 of study in a particular field of endeavor or that the person named thereon
3 has demonstrated proficiency in ~~any~~ A field of endeavor as a result of
4 formal preparation or training.

5 ~~(1.5)~~ (5) "Department" means the department of higher education
6 created and existing pursuant to section 24-1-114, C.R.S.

7 (6) "ENROLLMENT AGREEMENT" MEANS THE CONTRACT PREPARED
8 BY A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS
9 TRAINING INSTITUTION THAT A STUDENT SIGNS TO INDICATE AGREEMENT
10 TO THE TERMS OF ADMISSION, DELIVERY OF INSTRUCTION, AND MONETARY
11 TERMS AS OUTLINED IN THE INSTITUTION'S STUDENT HANDBOOK OR
12 CATALOG.

13 (7) "GOVERNING BOARD" MEANS THE ELECTED OR APPOINTED
14 GROUP OF PERSONS THAT OVERSEES AND CONTROLS A PRIVATE COLLEGE
15 OR UNIVERSITY OR A SEMINARY OR RELIGIOUS TRAINING INSTITUTION.

16 ~~(2)~~ (8) "Honorary degree" means ~~any~~ A statement, diploma,
17 certificate, or other writing in any language ~~which~~ THAT indicates or
18 represents, or ~~which~~ THAT is intended to indicate or represent, that the
19 person named thereon is learned in ~~any~~ A field of public service or has
20 performed outstanding public service or that the person named thereon
21 has demonstrated proficiency in ~~any~~ A field of endeavor without having
22 completed formal courses of instruction or study or formal preparation or
23 training.

24 (9) "OUT-OF-STATE PUBLIC INSTITUTION" MEANS AN INSTITUTION
25 OF HIGHER EDUCATION THAT IS ESTABLISHED BY STATUTE IN A STATE
26 OTHER THAN COLORADO.

27 (10) "OWNER" MEANS:

1 (a) AN INDIVIDUAL, IF A PRIVATE FOR-PROFIT COLLEGE OR
2 UNIVERSITY IS STRUCTURED AS A SOLE PROPRIETORSHIP;

3 (b) PARTNERS, IF A PRIVATE FOR-PROFIT COLLEGE OR UNIVERSITY
4 IS STRUCTURED AS A PARTNERSHIP;

5 (c) MEMBERS IN A LIMITED LIABILITY COMPANY, IF A PRIVATE
6 FOR-PROFIT COLLEGE OR UNIVERSITY IS STRUCTURED AS A LIMITED
7 LIABILITY COMPANY; OR

8 (d) SHAREHOLDERS IN A CORPORATION THAT HOLD A
9 CONTROLLING INTEREST, IF A PRIVATE FOR-PROFIT COLLEGE OR
10 UNIVERSITY IS STRUCTURED AS A CORPORATION.

11 ~~(3)~~ (11) "Private college or university" means a postsecondary
12 educational institution doing business or maintaining a place of business
13 in the state of Colorado, which ~~offers courses of instruction or study~~
14 ~~wherein credits may be earned and applied toward a degree in a field of~~
15 ~~endeavor~~ INSTITUTION ENROLLS THE MAJORITY OF ITS STUDENTS IN A
16 BACCALAUREATE OR POSTGRADUATE DEGREE PROGRAM.

17 (12) "PRIVATE NONPROFIT COLLEGE OR UNIVERSITY" MEANS A
18 PRIVATE COLLEGE OR UNIVERSITY THAT MAINTAINS TAX-EXEMPT STATUS
19 PURSUANT TO 26 U.S.C. SEC. 501 (c) (3).

20 ~~(3.5)~~ (13) "Private occupational school" means an institution
21 authorized by the private occupational school division ~~to confer associate~~
22 ~~degrees~~, under the provisions of article 59 of title 12, C.R.S.

23 ~~(4)~~ (14) "Seminary" or ~~"bible college"~~ "RELIGIOUS TRAINING
24 INSTITUTION" means a bona fide religious postsecondary educational
25 institution ~~doing business~~ THAT IS OPERATING or maintaining a place of
26 business in the state of Colorado, ~~and~~ that is exempt from property
27 taxation under the laws of this state, and that offers ~~bachelor's, master's~~

1 BACCALAUREATE, MASTER'S, or doctoral degrees or diplomas.

2 ~~(5)~~ (15) "State college or university" means a postsecondary
3 educational institution, including A community ~~and~~ OR junior colleges
4 COLLEGE, established and existing pursuant to law as an agency of the
5 state of Colorado and supported wholly or in part by tax revenues.

6 **SECTION 2.** In Colorado Revised Statutes, **add** 23-2-102.5 as
7 follows:

8 **23-2-102.5. Applicability of article.** (1) (a) A PRIVATE COLLEGE
9 OR UNIVERSITY THAT ENROLLS A MAJORITY OF ITS STUDENTS AT THE
10 CERTIFICATE OR ASSOCIATE LEVEL IS REGULATED BY THE DIVISION OF
11 PRIVATE OCCUPATIONAL SCHOOLS AND THE PRIVATE OCCUPATIONAL
12 SCHOOL BOARD PURSUANT TO ARTICLE 59 OF TITLE 12, C.R.S., AND IS NOT
13 SUBJECT TO THE PROVISIONS OF THIS ARTICLE.

14 (b) IF, AS A RESULT OF CHANGES IN STUDENT ENROLLMENT, A
15 PRIVATE COLLEGE OR UNIVERSITY AT TIMES MEETS THE DEFINITION
16 PROVIDED IN SECTION 23-2-102 (11) AND SHOULD THEREFORE BE
17 REGULATED BY THE DEPARTMENT AND THE COMMISSION, AND AT OTHER
18 TIMES MEETS THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION
19 (1) AND SHOULD THEREFORE BE REGULATED BY THE DIVISION OF PRIVATE
20 OCCUPATIONAL SCHOOLS AND THE PRIVATE OCCUPATIONAL SCHOOLS
21 BOARD, THE PRIVATE COLLEGE OR UNIVERSITY IS SUBJECT TO REGULATION
22 BY THE ENTITY THAT IS APPROPRIATE AS OF JULY 1, 2012, IF THE PRIVATE
23 COLLEGE OR UNIVERSITY IS AUTHORIZED AS OF SAID DATE, OR AS OF THE
24 DATE THE INSTITUTION APPLIES FOR AUTHORIZATION, AND THE
25 INSTITUTION SHALL BE REGULATED BY THE SAME ENTITY FOR THE
26 FOLLOWING THREE YEARS. THE DEPARTMENT SHALL REVIEW THE STATUS
27 OF THE PRIVATE COLLEGE OR UNIVERSITY EVERY THREE YEARS AFTER

1 JULY 1, 2012, OR EVERY THREE YEARS AFTER INITIAL AUTHORIZATION,
2 WHICHEVER IS APPROPRIATE, TO DETERMINE WHETHER THE INSTITUTION
3 SHOULD BE SUBJECT TO REGULATION BY THE DEPARTMENT AND THE
4 COMMISSION OR BY THE DIVISION OF PRIVATE OCCUPATIONAL SCHOOLS
5 AND THE PRIVATE OCCUPATIONAL SCHOOL BOARD.

6 (2) AN OUT-OF-STATE PUBLIC INSTITUTION MAY REQUEST
7 AUTHORIZATION PURSUANT TO THE PROVISIONS OF THIS ARTICLE FROM
8 THE DEPARTMENT AND THE COMMISSION. IN SEEKING AND MAINTAINING
9 AUTHORIZATION PURSUANT TO THIS ARTICLE, AN OUT-OF-STATE PUBLIC
10 INSTITUTION IS SUBJECT TO THE SAME CRITERIA AND REQUIREMENTS THAT
11 APPLY TO A PRIVATE COLLEGE OR UNIVERSITY.

12 **SECTION 3.** In Colorado Revised Statutes, **amend** 23-2-103 as
13 follows:

14 **23-2-103. Awarding degrees.** Notwithstanding the provisions of
15 section 7-50-105, C.R.S., or any other law to the contrary, ~~no~~ A person,
16 partnership, corporation, company, society, or association doing business
17 in the state of Colorado shall NOT award, bestow, confer, give, grant,
18 convey, or sell to any other person a degree or honorary degree upon
19 which is inscribed, in any language, the word "associate", "bachelor",
20 "baccalaureate", "master", or "doctor", or any abbreviation thereof, or
21 offer courses of instruction or credits purporting to lead to any such
22 degree, ~~except~~ UNLESS THE PERSON, PARTNERSHIP, CORPORATION,
23 COMPANY, SOCIETY, OR ASSOCIATION IS a state college or university; a
24 private college or university THAT IS AUTHORIZED PURSUANT TO THIS
25 ARTICLE; a private occupational school; ~~or a seminary or bible college and~~
26 ~~except~~ RELIGIOUS TRAINING INSTITUTION THAT IS AUTHORIZED PURSUANT
27 TO THIS ARTICLE; OR a school, college, or university ~~which~~ THAT offers

1 courses of instruction or study in compliance with standards prescribed
2 by articles 2, ~~4~~, 22, 25, 32, 33, 35, 36, 38, 40, 41, 43, and 64 of title 12,
3 C.R.S.

4 **SECTION 4.** In Colorado Revised Statutes, **add** 23-2-103.1 as
5 follows:

6 **23-2-103.1. Commission - department - duties - limitation -**
7 **reciprocity.** (1) THE COMMISSION SHALL:

8 (a) ESTABLISH PROCEDURES FOR AUTHORIZING, REAUTHORIZING,
9 AND REVOKING THE AUTHORIZATION OF PRIVATE COLLEGES AND
10 UNIVERSITIES AND SEMINARIES AND RELIGIOUS TRAINING INSTITUTIONS IN
11 ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE, INCLUDING BUT NOT
12 LIMITED TO PROCEDURES BY WHICH AN INSTITUTION MAY APPLY FOR
13 AUTHORIZATION OR REAUTHORIZATION AND THE PROCEDURES THE
14 DEPARTMENT SHALL FOLLOW IN REVIEWING APPLICATIONS AND MAKING
15 RECOMMENDATIONS TO THE COMMISSION;

16 (b) GRANT OR DENY AUTHORIZATIONS, RENEW AUTHORIZATIONS,
17 AND REVOKE AUTHORIZATIONS PURSUANT TO SECTIONS 23-2-103.3 AND
18 23-2-103.4;

19 (c) ESTABLISH THE TYPES AND AMOUNTS OF FEES THAT A PRIVATE
20 COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
21 INSTITUTION SHALL PAY AS REQUIRED IN SECTION 23-2-104.5; AND

22 (d) ESTABLISH POLICIES TO REQUIRE PRIVATE COLLEGES AND
23 UNIVERSITIES AND SEMINARIES AND RELIGIOUS TRAINING INSTITUTIONS TO
24 SUBMIT TO THE DEPARTMENT, UPON REQUEST, DATA THAT IS DIRECTLY
25 RELATED TO STUDENT ENROLLMENT AND DEGREE COMPLETION AND, IF
26 APPLICABLE, STUDENT FINANCIAL AID AND EDUCATOR PREPARATION
27 PROGRAMS AS DESCRIBED IN SECTION 23-1-121. THE DIRECTOR OF THE

1 COMMISSION AND AN EMPLOYEE OF THE DEPARTMENT OF HIGHER
2 EDUCATION SHALL NOT DIVULGE OR MAKE KNOWN IN ANY WAY DATA FOR
3 INDIVIDUAL STUDENTS OR PERSONNEL, EXCEPT IN ACCORDANCE WITH
4 JUDICIAL ORDER OR AS OTHERWISE PROVIDED BY LAW. A PERSON WHO
5 VIOLATES THIS PARAGRAPH (d) COMMITS A CLASS 1 MISDEMEANOR AND
6 SHALL BE PUNISHED AS PROVIDED IN SECTION 18-1.3-501, C.R.S., AND
7 SHALL BE REMOVED OR DISMISSED FROM PUBLIC SERVICE ON THE
8 GROUNDS OF MALFEASANCE IN OFFICE.

9 (2) THE DEPARTMENT SHALL ADMINISTER THE PROVISIONS OF THIS
10 ARTICLE IN ACCORDANCE WITH THE PROVISIONS OF THIS ARTICLE AND THE
11 POLICIES, GUIDELINES, AND PROCEDURES ADOPTED BY THE COMMISSION
12 FOR THE ADMINISTRATION OF THIS ARTICLE. TO ADMINISTER THIS ARTICLE,
13 THE DEPARTMENT SHALL HAVE, BUT NEED NOT BE LIMITED TO, THE
14 FOLLOWING DUTIES:

15 (a) RECOMMENDING THAT THE COMMISSION GRANT, DENY,
16 REVOKE, OR RENEW AN AUTHORIZATION TO OPERATE A PRIVATE COLLEGE
17 OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING INSTITUTION;

18 (b) MAINTAINING A LIST OF THE PRIVATE COLLEGES AND
19 UNIVERSITIES AND SEMINARIES AND RELIGIOUS TRAINING INSTITUTIONS
20 THAT HAVE AUTHORIZATIONS ON FILE WITH THE DEPARTMENT; AND

21 (c) ESTABLISHING AND MAINTAINING A PROCESS IN ACCORDANCE
22 WITH SECTION 23-2-104 FOR REVIEWING AND APPROPRIATELY ACTING ON
23 A COMPLAINT CONCERNING A PRIVATE COLLEGE OR UNIVERSITY OR
24 SEMINARY OR RELIGIOUS TRAINING INSTITUTION OPERATING IN THIS
25 STATE, INCLUDING ENFORCING APPLICABLE STATE LAWS IF THE COMPLAINT
26 IS BASED ON A CLAIM OF DECEPTIVE TRADE PRACTICE.

27 (3) THE COMMISSION AND THE DEPARTMENT ARE NOT AUTHORIZED

1 TO REGULATE THE OPERATIONS OF, INCLUDING BUT NOT LIMITED TO THE
2 CONTENT OF COURSES PROVIDED BY, A PRIVATE COLLEGE OR UNIVERSITY
3 OR SEMINARY OR RELIGIOUS TRAINING INSTITUTION EXCEPT TO THE
4 EXTENT EXPRESSLY SET FORTH IN THIS ARTICLE.

5 (4) THE COMMISSION MAY NEGOTIATE AND ENTER INTO
6 INTERSTATE RECIPROCITY AGREEMENTS WITH OTHER STATES IF, IN THE
7 JUDGMENT OF THE COMMISSION, THE AGREEMENTS DO NOT OBLIGATE A
8 PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
9 INSTITUTION TO COMPLY WITH STANDARDS OR REQUIREMENTS THAT
10 EXCEED THE STANDARDS AND REQUIREMENTS SPECIFIED IN THIS ARTICLE
11 AND THE AGREEMENTS WILL ASSIST IN ACCOMPLISHING THE PURPOSES OF
12 THIS ARTICLE.

13 **SECTION 5.** In Colorado Revised Statutes, **amend** 23-2-103.3
14 as follows:

15 **23-2-103.3. Authorization to operate in Colorado - renewal.**

16 (1) (a) To ~~do business~~ OPERATE in Colorado, a private college or
17 university shall apply for and receive authorization from the ~~department~~
18 COMMISSION. A PRIVATE COLLEGE OR UNIVERSITY SHALL OBTAIN A
19 SEPARATE AUTHORIZATION FOR EACH CAMPUS, BRANCH, OR SITE THAT IS
20 SEPARATELY ACCREDITED. A PRIVATE, NONPROFIT COLLEGE OR
21 UNIVERSITY SHALL SUBMIT WITH ITS APPLICATION VERIFICATION OF
22 NONPROFIT STATUS, INCLUDING A COPY OF THE INSTITUTION'S
23 TAX-EXEMPT CERTIFICATE ISSUED BY THE COLORADO DEPARTMENT OF
24 REVENUE.

25 (b) After receiving an application, the department shall review the
26 application to determine ~~the compliance of a private college or university~~
27 ~~with the provisions of this article and other applicable law~~ WHETHER THE

1 PRIVATE COLLEGE OR UNIVERSITY IS INSTITUTIONALLY ACCREDITED BY A
2 REGIONAL OR NATIONAL ACCREDITING BODY RECOGNIZED BY THE UNITED
3 STATES DEPARTMENT OF EDUCATION. The department shall not
4 recommend and the commission shall not approve an application from a
5 private college or university that, in the ~~preceding~~ two years PRECEDING
6 SUBMISSION OF THE APPLICATION, has had its accreditation suspended or
7 withdrawn OR has been prohibited from ~~doing business~~ OPERATING in
8 another state or THAT has substantially the same ~~ownership~~ OWNERS,
9 GOVERNING BOARD, or principal officers as a private college or university
10 that, IN THE TWO YEARS PRECEDING SUBMISSION OF THE APPLICATION, has
11 had its accreditation suspended or withdrawn or ~~that~~ has been prohibited
12 from ~~doing business~~ OPERATING in another state. ~~An application shall~~
13 ~~include payment of the fee determined according to section 23-2-104.5.~~

14 (b) The provisions of paragraph (a) of this subsection (1) shall not
15 apply to a private college or university that, as of May 29, 2008, was
16 authorized to do business in Colorado and that awarded degrees.

17 ==
18 (2) To ~~do business~~ OPERATE in Colorado, a private college or
19 university ~~is required to~~ SHALL be INSTITUTIONALLY accredited on the
20 basis of an on-site review ~~in Colorado by a nationally recognized regional~~
21 ~~accrediting association, by an accrediting agency or association~~ BY A
22 REGIONAL OR NATIONAL ACCREDITING BODY recognized by the United
23 States department of education; ~~or by an accrediting agency determined~~
24 ~~by the commission to be in accordance with its educational purposes and~~
25 ~~programs~~; except that a private college or university may operate for an
26 initial period without accreditation if the commission determines, in
27 accordance with standards established by the commission, that the private

1 college or university is likely to become accredited in a reasonable period
2 of time or is making ~~reasonable and timely~~ progress toward accreditation
3 IN ACCORDANCE WITH THE ACCREDITING BODY'S POLICIES. THE
4 COMMISSION MAY GRANT A PROVISIONAL AUTHORIZATION TO A PRIVATE
5 COLLEGE OR UNIVERSITY TO OPERATE FOR AN INITIAL PERIOD WITHOUT
6 ACCREDITATION. THE PRIVATE COLLEGE OR UNIVERSITY SHALL ANNUALLY
7 RENEW ITS PROVISIONAL AUTHORIZATION AND REPORT ANNUALLY TO THE
8 COMMISSION CONCERNING THE INSTITUTION'S PROGRESS IN OBTAINING
9 ACCREDITATION.

10 (3) A private college or university shall immediately notify the
11 department of any ~~communication from its accrediting agency that~~
12 ~~indicates it may be at risk of losing accreditation, not being awarded~~
13 ~~accreditation, or being awarded a lesser accreditation status~~ MATERIAL
14 INFORMATION RELATED TO AN ACTION BY THE INSTITUTION'S ACCREDITING
15 BODY CONCERNING THE INSTITUTION'S ACCREDITATION STATUS,
16 INCLUDING BUT NOT LIMITED TO REAFFIRMATION OR LOSS OF
17 ACCREDITATION, APPROVAL OF A REQUEST FOR CHANGE, A CAMPUS
18 EVALUATION VISIT, A FOCUSED VISIT, OR APPROVAL OF ADDITIONAL
19 LOCATIONS. IN ADDITION, THE INSTITUTION SHALL IMMEDIATELY NOTIFY
20 THE DEPARTMENT IF THE INSTITUTION'S ACCREDITING BODY IS NO LONGER
21 RECOGNIZED BY THE UNITED STATES DEPARTMENT OF EDUCATION.

22 (4) To ~~do business~~ OPERATE in Colorado, a ~~bible college or~~
23 ~~seminary~~ OR RELIGIOUS TRAINING INSTITUTION shall apply for and receive
24 authorization from the department and establish that it qualifies as a bona
25 fide religious institution and as an institution of postsecondary education,
26 as defined by rules promulgated by the ~~Colorado~~ commission. ~~on higher~~
27 ~~education~~. A ~~bible college or~~ seminary OR RELIGIOUS TRAINING

1 INSTITUTION that meets the criteria and rules established by this
2 subsection (4) ~~shall be~~ IS exempt from the provisions of subsections (1),
3 (2), and (3) of this section. ~~An application from~~ A bona fide religious
4 institution and an institution of postsecondary education ~~made~~ THAT
5 APPLIES FOR AUTHORIZATION pursuant to this subsection (4) shall ~~not~~
6 ~~include a payment of~~ PAY the fee ~~determined~~ ESTABLISHED according to
7 section 23-2-104.5. The provisions of this subsection (4) shall not apply
8 to a bible college or seminary that, as of May 29, 2008, was authorized to
9 do business in Colorado and that awarded degrees.

10 (5) (a) ~~The commission may order the department, for cause, to~~
11 ~~review a private college or university, bible college, or seminary to~~
12 ~~determine whether to revoke the private college's or university's, bible~~
13 ~~college's, or seminary's authorization or to place it on probationary status.~~
14 ~~A review conducted pursuant to this subsection (5) shall ensure that the~~
15 ~~private college or university or bible college or seminary meets the~~
16 ~~requirements adopted pursuant to this article.~~ A PRIVATE COLLEGE OR
17 UNIVERSITY THAT HAS AUTHORIZATION FROM THE COMMISSION PURSUANT
18 TO THIS SECTION AND MAINTAINS ITS ACCREDITATION SHALL APPLY TO THE
19 DEPARTMENT FOR REAUTHORIZATION IN ACCORDANCE WITH THE
20 SCHEDULE FOR REACCREDITATION BY ITS ACCREDITING BODY OR EVERY
21 THREE YEARS, WHICHEVER IS LONGER. A SEMINARY OR RELIGIOUS
22 TRAINING INSTITUTION SHALL APPLY FOR REAUTHORIZATION EVERY THREE
23 YEARS. A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS
24 TRAINING INSTITUTION THAT SEEKS REAUTHORIZATION SHALL SUBMIT AN
25 APPLICATION IN ACCORDANCE WITH THE PROCEDURES AND POLICIES
26 ADOPTED BY THE COMMISSION AND SHALL PAY THE REAUTHORIZATION FEE
27 ESTABLISHED BY THE COMMISSION PURSUANT TO SECTION 23-2-104.5.

1 ~~(b) The commission may revoke the private college's or~~
2 ~~university's authorization if it finds that the private college or university~~
3 ~~is no longer accredited. The commission may place the private college or~~
4 ~~university on probationary status if the commission finds the private~~
5 ~~college or university has been placed on probation or the equivalent by an~~
6 ~~accrediting agency.~~

7 ~~(c) The commission may revoke the bible college's or seminary's~~
8 ~~authorization or place it on probationary status only if it finds that the~~
9 ~~bible college or seminary no longer meets the definition of bible college~~
10 ~~or seminary as defined under section 23-2-102 or no longer meets the~~
11 ~~requirements adopted pursuant to this article.~~

12 (6) Nothing in this section shall preclude a seminary or bible
13 college RELIGIOUS TRAINING INSTITUTION from seeking accreditation.

14 (7) (a) BY JANUARY 1, 2013, THE COMMISSION SHALL ADOPT
15 PROCEDURES BY WHICH A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY
16 OR RELIGIOUS TRAINING INSTITUTION MAY RENEW ITS AUTHORIZATION TO
17 OPERATE IN COLORADO. TO RENEW ITS AUTHORIZATION TO OPERATE IN
18 COLORADO, A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR
19 RELIGIOUS TRAINING INSTITUTION SHALL DEMONSTRATE THAT IT
20 CONTINUES TO MEET THE MINIMUM OPERATING STANDARDS SPECIFIED IN
21 THIS SECTION AND SECTION 23-2-103.8, IF APPLICABLE.

22 (b) (I) A PRIVATE COLLEGE OR UNIVERSITY THAT HAS HAD ITS
23 ACCREDITATION REAFFIRMED WITHOUT SANCTION IS IN COMPLIANCE WITH
24 SECTION 23-2-103.8, AND IS NOT SUBJECT TO INVESTIGATION PURSUANT
25 TO SECTION 23-2-103.4 IS PRESUMED QUALIFIED FOR RENEWAL OF
26 AUTHORIZATION, AND THE DEPARTMENT SHALL RECOMMEND RENEWAL
27 FOR A PERIOD OF THREE YEARS OR THE LENGTH OF THE INSTITUTION'S

1 ACCREDITATION, IF APPLICABLE, WHICHEVER IS LONGER.

2 (II) A SEMINARY OR RELIGIOUS TRAINING INSTITUTION THAT
3 CONTINUES TO MEET THE MINIMUM OPERATING STANDARDS SPECIFIED IN
4 THIS SECTION IS PRESUMED QUALIFIED FOR RENEWAL OF AUTHORIZATION,
5 AND THE DEPARTMENT SHALL RECOMMEND THAT THE COMMISSION RENEW
6 THE INSTITUTION'S AUTHORIZATION FOR THREE ADDITIONAL YEARS.

7 (c) IF A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR
8 RELIGIOUS TRAINING INSTITUTION CANNOT DEMONSTRATE THAT IT MEETS
9 THE MINIMUM OPERATING STANDARDS SPECIFIED IN THIS SECTION OR
10 SECTION 23-2-103.8, IF APPLICABLE, THE DEPARTMENT SHALL
11 RECOMMEND THAT THE COMMISSION DENY THE INSTITUTION'S
12 APPLICATION FOR RENEWAL OF THE AUTHORIZATION. IF, WITHIN SIX
13 MONTHS AFTER RECEIVING THE NOTICE OF DENIAL OF THE APPLICATION
14 FOR RENEWAL, THE INSTITUTION CORRECTS THE ACTION OR CONDITION
15 THAT RESULTED IN DENIAL OF THE APPLICATION FOR RENEWAL, THE
16 INSTITUTION MAY REAPPLY FOR RENEWAL OF THE AUTHORIZATION. IF THE
17 INSTITUTION DOES NOT CORRECT THE ACTION OR CONDITION WITHIN THE
18 SIX-MONTH PERIOD, IT MAY SUBMIT A NEW APPLICATION FOR
19 AUTHORIZATION AFTER CORRECTING THE ACTION OR CONDITION.

20 (d) IF A PRIVATE COLLEGE OR UNIVERSITY IS UNDER A SANCTION
21 FROM ITS ACCREDITING BODY AT THE TIME IT FILES AN APPLICATION FOR
22 RENEWAL OF AUTHORIZATION TO OPERATE IN COLORADO, THE
23 DEPARTMENT MAY RECOMMEND THAT THE COMMISSION RENEW THE
24 INSTITUTION'S AUTHORIZATION OR THAT THE COMMISSION GRANT A
25 PROBATIONARY RENEWAL OF THE INSTITUTION'S AUTHORIZATION. IF AN
26 INSTITUTION RECEIVES A PROBATIONARY RENEWAL OF ITS
27 AUTHORIZATION, THE INSTITUTION SHALL REAPPLY FOR RENEWAL OF ITS

1 AUTHORIZATION ANNUALLY UNTIL THE ACCREDITING BODY LIFTS THE
2 SANCTION, AND THE INSTITUTION SHALL ANNUALLY REPORT TO THE
3 COMMISSION CONCERNING THE INSTITUTION'S PROGRESS IN REMOVING THE
4 SANCTION.

5 (e) IF THE DEPARTMENT RECOMMENDS THAT THE COMMISSION
6 GRANT A PROBATIONARY RENEWAL OF AUTHORIZATION OR DENY AN
7 APPLICATION FOR RENEWAL OF AUTHORIZATION, THE COMMISSION SHALL
8 NOTIFY THE PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS
9 TRAINING INSTITUTION CONCERNING THE RECOMMENDATION, AND THE
10 DEPARTMENT AND THE COMMISSION SHALL PROCEED IN ACCORDANCE
11 WITH THE PROVISIONS OF THE "STATE ADMINISTRATIVE PROCEDURE ACT",
12 ARTICLE 4 OF TITLE 24, C.R.S.

13 **SECTION 6.** In Colorado Revised Statutes, **add** 23-2-103.4 as
14 follows:

15 **23-2-103.4. Authorization - revocation - probationary status.**

16 (1) (a) IF THE COMMISSION HAS REASON TO BELIEVE THAT A PRIVATE
17 COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
18 INSTITUTION MEETS ONE OR MORE OF THE GROUNDS SPECIFIED IN
19 SUBSECTION (2) OR (3) OF THIS SECTION FOR REVOCATION OF
20 AUTHORIZATION OR FOR PLACING AN INSTITUTION ON PROBATIONARY
21 STATUS, THE COMMISSION MAY ORDER THE DEPARTMENT TO INVESTIGATE
22 THE PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS
23 TRAINING INSTITUTION AND MAKE A RECOMMENDATION CONCERNING
24 WHETHER TO REVOKE THE INSTITUTION'S AUTHORIZATION OR TO PLACE
25 THE INSTITUTION ON PROBATIONARY STATUS.

26 (b) TO ASSIST THE DEPARTMENT IN CONDUCTING AN
27 INVESTIGATION PURSUANT TO THIS SUBSECTION (1), THE COMMISSION MAY

1 SUBPOENA ANY PERSONS, BOOKS, RECORDS, OR DOCUMENTS PERTAINING
2 TO THE INVESTIGATION, REQUIRE ANSWERS IN WRITING, UNDER OATH, TO
3 QUESTIONS THE COMMISSION OR THE DEPARTMENT MAY ASK, AND
4 ADMINISTER AN OATH OR AFFIRMATION TO ANY PERSON IN CONNECTION
5 WITH THE INVESTIGATION. IN CONDUCTING THE INVESTIGATION, THE
6 DEPARTMENT MAY PHYSICALLY INSPECT AN INSTITUTION'S FACILITIES AND
7 RECORDS. A SUBPOENA ISSUED BY THE COMMISSION PURSUANT TO THIS
8 PARAGRAPH (b) IS ENFORCEABLE BY ANY COURT OF RECORD IN THIS
9 STATE.

10 (c) BASED ON THE FINDINGS OF AN INVESTIGATION PURSUANT TO
11 THIS SUBSECTION (1), THE DEPARTMENT SHALL RECOMMEND TO THE
12 COMMISSION THAT THE COMMISSION SHOULD OR SHOULD NOT REVOKE THE
13 INSTITUTION'S AUTHORIZATION OR PLACE THE INSTITUTION ON
14 PROBATIONARY STATUS. IF THE DEPARTMENT RECOMMENDS REVOCATION
15 OR PROBATIONARY STATUS, IT SHALL IDENTIFY THE APPLICABLE GROUNDS
16 FOR REVOCATION OR PROBATIONARY STATUS SPECIFIED IN SUBSECTION (2)
17 OR (3) OF THIS SECTION, AND THE DEPARTMENT AND THE COMMISSION
18 SHALL PROCEED IN ACCORDANCE WITH THE PROVISIONS OF THE "STATE
19 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24, C.R.S.

20 (2) WITH REGARD TO THE AUTHORIZATION OF A PRIVATE COLLEGE
21 OR UNIVERSITY, THE COMMISSION MAY:

22 (a) REVOKE THE PRIVATE COLLEGE'S OR UNIVERSITY'S
23 AUTHORIZATION OR PLACE THE INSTITUTION ON PROBATIONARY STATUS
24 IF THE PRIVATE COLLEGE OR UNIVERSITY:

25 (I) FAILS TO MEET ANY OF THE MINIMUM STANDARDS SET FORTH
26 IN THIS ARTICLE OR IN THE COMMISSION'S POLICIES OR RULES ADOPTED TO
27 IMPLEMENT THIS ARTICLE;

1 (II) FAILS TO SUBSTANTIALLY COMPLY WITH THE APPLICABLE
2 LAWS OR RULES ADOPTED OR IMPLEMENTED BY OTHER STATE-LEVEL
3 BOARDS OR AGENCIES THAT HAVE JURISDICTION OVER THE INSTITUTION;
4 OR

5 (III) VIOLATES THE FEDERAL CRIMINAL LAWS OR THE CRIMINAL
6 LAWS OF THIS STATE OR ANY OTHER STATE IN WHICH THE INSTITUTION
7 OPERATES;

8 (b) REVOKE THE PRIVATE COLLEGE'S OR UNIVERSITY'S
9 AUTHORIZATION IF THE INSTITUTION LOSES ITS ACCREDITATION;

10 (c) PLACE THE PRIVATE COLLEGE OR UNIVERSITY ON
11 PROBATIONARY STATUS IF THE INSTITUTION'S ACCREDITING BODY PLACES
12 THE INSTITUTION ON PROBATION OR THE EQUIVALENT; OR

13 (d) REVOKE THE PRIVATE COLLEGE'S OR UNIVERSITY'S
14 AUTHORIZATION OR PLACE THE PRIVATE COLLEGE OR UNIVERSITY ON
15 PROBATIONARY STATUS IF THE UNITED STATES DEPARTMENT OF
16 EDUCATION CEASES TO RECOGNIZE THE INSTITUTION'S ACCREDITING BODY.

17 (3) THE COMMISSION MAY REVOKE A SEMINARY'S OR RELIGIOUS
18 TRAINING INSTITUTION'S AUTHORIZATION OR PLACE THE INSTITUTION ON
19 PROBATIONARY STATUS IF THE SEMINARY OR RELIGIOUS TRAINING
20 INSTITUTION:

21 (a) NO LONGER MEETS THE DEFINITION OF A SEMINARY OR
22 RELIGIOUS TRAINING INSTITUTION SPECIFIED IN SECTION 23-2-102;

23 (b) FAILS TO MEET ANY OF THE OTHER MINIMUM STANDARDS SET
24 FORTH IN THIS ARTICLE OR IN THE COMMISSION'S POLICIES OR RULES
25 ADOPTED TO IMPLEMENT THIS ARTICLE; OR

26 (c) VIOLATES THE FEDERAL CRIMINAL LAWS OR THE CRIMINAL
27 LAWS OF THIS STATE OR ANY OTHER STATE IN WHICH THE INSTITUTION

1 OPERATES.

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3 **SECTION 7.** In Colorado Revised Statutes, **repeal and reenact,**
4 **with amendments,** 23-2-103.5 as follows:

5 **23-2-103.5. Deposit of records upon discontinuance.** (1) (a) IF
6 A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
7 INSTITUTION CEASES OPERATING WITHIN THIS STATE, THE OWNER OF THE
8 INSTITUTION OR HIS OR HER DESIGNEE SHALL DEPOSIT WITH THE
9 DEPARTMENT THE ORIGINAL OR LEGIBLE TRUE COPIES OF ALL
10 EDUCATIONAL RECORDS OF THE INSTITUTION.

11 (b) IF THE COMMISSION DETERMINES THAT THE RECORDS OF A
12 PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
13 INSTITUTION THAT CEASES OPERATING WITHIN THE STATE ARE IN DANGER
14 OF BEING DESTROYED, SECRETED, MISLAID, OR OTHERWISE MADE
15 UNAVAILABLE TO THE DEPARTMENT, THE COMMISSION MAY SEEK A COURT
16 ORDER AUTHORIZING THE DEPARTMENT TO SEIZE AND TAKE POSSESSION
17 OF THE RECORDS.

18 (c) THE DEPARTMENT OR THE ATTORNEY GENERAL MAY ENFORCE
19 THE PROVISIONS OF THIS SUBSECTION (1) BY FILING A REQUEST FOR AN
20 INJUNCTION WITH A COURT OF COMPETENT JURISDICTION.

21 (d) THE COMMISSION SHALL ADOPT POLICIES FOR THE
22 IMPLEMENTATION OF THIS SUBSECTION (1).

23 (2) A PERSON MAY REQUEST, IN ACCORDANCE WITH THE
24 PROVISIONS OF THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE
25 72 OF TITLE 24, C.R.S., A COPY OF A RECORD HELD BY THE DEPARTMENT
26 PURSUANT TO THIS SECTION.

27 (3) THE DEPARTMENT SHALL PERMANENTLY RETAIN ANY STUDENT

1 TRANSCRIPTS RECEIVED PURSUANT TO THIS SECTION. THE DEPARTMENT
2 SHALL RETAIN ANY OTHER RECORDS RECEIVED PURSUANT TO THIS SECTION
3 FOR TEN YEARS FOLLOWING THE DATE ON WHICH IT RECEIVES OR OBTAINS
4 THE RECORDS. AFTER THE REQUIRED RETENTION PERIOD, THE
5 DEPARTMENT SHALL DISPOSE OF THE RECORDS IN A MANNER THAT WILL
6 ADEQUATELY PROTECT THE PRIVACY OF PERSONAL INFORMATION
7 INCLUDED IN THE RECORDS.

8 **SECTION 8.** In Colorado Revised Statutes, **add** 23-2-103.7 and
9 23-2-103.8 as follows:

10 **23-2-103.7. Authorized institutions - responsibilities.** (1) A
11 PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR RELIGIOUS TRAINING
12 INSTITUTION THAT IS AUTHORIZED PURSUANT TO THIS ARTICLE:

13 (a) SHALL NOT MAKE OR CAUSE TO BE MADE ANY ORAL, WRITTEN,
14 OR VISUAL STATEMENT OR REPRESENTATION THAT VIOLATES SECTION
15 23-2-104 (4);

16 (b) SHALL ANNUALLY PROVIDE TO THE DEPARTMENT A COPY OF
17 THE INSTITUTION'S ENROLLMENT AGREEMENT IF THE INSTITUTION USES AN
18 ENROLLMENT AGREEMENT;

19 (c) SHALL PROVIDE BONA FIDE INSTRUCTION, IN ACCORDANCE
20 WITH THE STANDARDS AND CRITERIA SET BY THE INSTITUTION'S
21 ACCREDITING BODY; AND

22 (d) IF THE OWNERSHIP OF THE INSTITUTION CHANGES, SHALL
23 PROVIDE TO THE DEPARTMENT, WITHIN THIRTY DAYS AFTER THE CHANGE,
24 ANY MATERIAL INFORMATION CONCERNING THE TRANSACTION THAT IS
25 REQUESTED BY THE DEPARTMENT.

26 (2) IF A PRIVATE COLLEGE OR UNIVERSITY OR SEMINARY OR
27 RELIGIOUS TRAINING INSTITUTION VIOLATES ANY OF THE REQUIREMENTS

1 SPECIFIED IN SUBSECTION (1) OF THIS SECTION, THE DEPARTMENT MAY
2 RECOMMEND TO THE COMMISSION THAT THE INSTITUTION'S
3 AUTHORIZATION BE REVOKED OR PLACED ON PROBATIONARY STATUS.

4 **23-2-103.8. Financial integrity - surety.** (1) A PRIVATE COLLEGE
5 OR UNIVERSITY IS EXEMPT FROM THE PROVISIONS OF THIS SECTION IF:

6 (a) THE PRIVATE COLLEGE OR UNIVERSITY IS A PARTY TO A
7 PERFORMANCE CONTRACT WITH THE COMMISSION UNDER SECTION
8 23-5-129; OR

9 (b) THE PRIVATE COLLEGE OR UNIVERSITY:

10 (I) HAS BEEN ACCREDITED FOR AT LEAST TWENTY YEARS BY AN
11 ACCREDITING AGENCY THAT IS RECOGNIZED BY THE UNITED STATES
12 DEPARTMENT OF EDUCATION;

13 (II) HAS OPERATED CONTINUOUSLY IN THIS STATE FOR AT LEAST
14 TWENTY YEARS; AND

15 (III) HAS NOT AT ANY TIME FILED FOR BANKRUPTCY PROTECTION
16 PURSUANT TO TITLE 11 OF THE UNITED STATES CODE.

17 (2) (a) IF A PRIVATE COLLEGE OR UNIVERSITY IS NOT EXEMPT FROM
18 THE REQUIREMENTS OF THIS SECTION PURSUANT TO SUBSECTION (1) OF
19 THIS SECTION, THE COMMISSION SHALL DETERMINE THE FINANCIAL
20 INTEGRITY OF THE PRIVATE COLLEGE OR UNIVERSITY BY CONFIRMING THAT
21 THE INSTITUTION MEETS OR DOES NOT MEET THE CRITERIA SPECIFIED IN
22 PARAGRAPH (b) OR (c) OF THIS SUBSECTION (2). THE PRIVATE COLLEGE OR
23 UNIVERSITY SHALL PRESENT AS PART OF THE APPLICATION FOR
24 AUTHORIZATION VERIFIABLE EVIDENCE THAT THE INSTITUTION MEETS
25 THE CRITERIA SPECIFIED IN PARAGRAPH (b) OR (c) OF THIS SUBSECTION (2).

26 (b) (I) A PRIVATE COLLEGE OR UNIVERSITY MAY DEMONSTRATE
27 FINANCIAL INTEGRITY BY MEETING THE FOLLOWING CRITERIA:

1 (A) THE INSTITUTION HAS BEEN ACCREDITED FOR AT LEAST TEN
2 YEARS BY AN ACCREDITING AGENCY THAT IS RECOGNIZED BY THE UNITED
3 STATES DEPARTMENT OF EDUCATION;

4 (B) THE INSTITUTION HAS OPERATED CONTINUOUSLY IN THIS
5 STATE FOR AT LEAST TEN YEARS;

6 (C) DURING ITS EXISTENCE, THE INSTITUTION HAS NOT FILED FOR
7 BANKRUPTCY PROTECTION PURSUANT TO TITLE 11 OF THE UNITED STATES
8 CODE;

9 (D) THE INSTITUTION MAINTAINS A COMPOSITE SCORE OF AT LEAST
10 1.5 ON ITS EQUITY, PRIMARY RESERVE, AND NET INCOME RATIOS, AS
11 REQUIRED IN 34 CFR 668.172; AND

12 (E) THE INSTITUTION MEETS OR EXCEEDS THE PRO RATA REFUND
13 POLICIES REQUIRED BY THE FEDERAL DEPARTMENT OF EDUCATION IN 34
14 CFR 668 OR, IF THE INSTITUTION DOES NOT PARTICIPATE IN FEDERAL
15 FINANCIAL AID PROGRAMS, THE INSTITUTION'S REFUND AND TERMINATION
16 PROCEDURES COMPLY WITH THE REQUIREMENTS OF THE INSTITUTION'S
17 ACCREDITING BODY.

18 (II) NOTWITHSTANDING ANY PROVISION OF SUBPARAGRAPH (I) OF
19 THIS PARAGRAPH (b) TO THE CONTRARY, A PRIVATE COLLEGE OR
20 UNIVERSITY IS NOT REQUIRED TO MEET THE CRITERIA SPECIFIED IN
21 SUB-SUBPARAGRAPHS (A) AND (B) OF SUBPARAGRAPH (I) OF THIS
22 PARAGRAPH (b) IF THE INSTITUTION IS PART OF A GROUP OF PRIVATE
23 COLLEGES AND UNIVERSITIES THAT ARE OWNED AND OPERATED BY A
24 COMMON OWNER, SO LONG AS ALL OF THE OTHER INSTITUTIONS IN THE
25 GROUP MEET THE CRITERIA SPECIFIED IN SUB-SUBPARAGRAPHS (A) AND
26 (B) OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (b).

27 (c) A PRIVATE COLLEGE OR UNIVERSITY MAY DEMONSTRATE

1 FINANCIAL INTEGRITY BY MEETING THE FOLLOWING CRITERIA:

2 (I) THE INSTITUTION HAS RECEIVED AND MAINTAINS FULL
3 ACCREDITATION WITHOUT SANCTION FROM AN ACCREDITING AGENCY
4 THAT IS RECOGNIZED BY THE UNITED STATES DEPARTMENT OF
5 EDUCATION, WHICH ACCREDITING AGENCY REQUIRES THE INSTITUTION TO
6 MAINTAIN SURETY OR AN ESCROW ACCOUNT OR HAS AFFIRMATIVELY
7 WAIVED OR OTHERWISE REMOVED THE REQUIREMENT FOR THE
8 INSTITUTION;

9 (II) THE INSTITUTION HAS BEEN CONTINUOUSLY AUTHORIZED BY
10 THE COMMISSION FOR AT LEAST FIVE YEARS;

11 (III) THE INSTITUTION OWNS AND OPERATES A PERMANENT
12 INSTRUCTIONAL FACILITY IN THE STATE;

13 (IV) THE INSTITUTION ANNUALLY PROVIDES TO THE COMMISSION
14 AUDITED FINANCIAL STATEMENTS FOR THE MOST RECENT FISCAL YEAR
15 THAT DEMONSTRATE THAT THE INSTITUTION MAINTAINS POSITIVE EQUITY
16 AND PROFITABILITY;

17 (V) THE INSTITUTION MAINTAINS A COMPOSITE SCORE OF AT LEAST
18 1.5 ON ITS EQUITY, PRIMARY RESERVE, AND NET INCOME RATIOS, AS
19 REQUIRED IN 34 CFR 668.172; AND

20 (VI) THE INSTITUTION MEETS OR EXCEEDS THE PRO RATA REFUND
21 POLICIES REQUIRED BY THE FEDERAL DEPARTMENT OF EDUCATION IN 34
22 CFR 668 OR, IF THE INSTITUTION DOES NOT PARTICIPATE IN FEDERAL
23 FINANCIAL AID PROGRAMS, THE INSTITUTION'S REFUND AND TERMINATION
24 PROCEDURES COMPLY WITH THE REQUIREMENTS OF THE INSTITUTION'S
25 ACCREDITING BODY.

26 (3) (a) EACH PRIVATE COLLEGE OR UNIVERSITY THAT IS NOT
27 EXEMPT FROM THE REQUIREMENTS OF THIS SECTION PURSUANT TO

1 SUBSECTION (1) OF THIS SECTION AND CANNOT DEMONSTRATE FINANCIAL
2 INTEGRITY AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, AS
3 DETERMINED BY THE COMMISSION, SHALL FILE EVIDENCE OF SURETY IN
4 THE AMOUNT CALCULATED PURSUANT TO SUBSECTION (5) OF THIS SECTION
5 PRIOR TO RECEIVING AUTHORIZATION TO OPERATE IN COLORADO. THE
6 SURETY MAY BE IN THE FORM OF A SAVINGS ACCOUNT, DEPOSIT, OR
7 CERTIFICATE OF DEPOSIT THAT MEETS THE REQUIREMENTS OF SECTION
8 11-35-101, C.R.S., OR AN ALTERNATIVE METHOD APPROVED BY THE
9 COMMISSION, OR ONE BOND AS SET FORTH IN THIS SECTION COVERING THE
10 APPLYING INSTITUTION. THE COMMISSION MAY DISAPPROVE AN
11 INSTITUTION'S SURETY IF THE COMMISSION FINDS THE SURETY IS NOT
12 SUFFICIENT TO PROVIDE STUDENTS WITH THE INDEMNIFICATION AND
13 ALTERNATIVE ENROLLMENT REQUIRED BY THIS SECTION.

14 (b) IF A PRIVATE COLLEGE OR UNIVERSITY FILES A BOND, THE BOND
15 SHALL BE EXECUTED BY THE INSTITUTION AS PRINCIPAL AND BY A SURETY
16 COMPANY AUTHORIZED TO DO BUSINESS IN THIS STATE. THE BOND SHALL
17 BE CONTINUOUS UNLESS THE SURETY IS RELEASED AS SET FORTH IN THIS
18 SECTION.

19 (4) THE SURETY SHALL BE CONDITIONED TO PROVIDE
20 INDEMNIFICATION TO ANY STUDENT OR ENROLLEE, OR TO ANY PARENT OR
21 LEGAL GUARDIAN OF A STUDENT OR ENROLLEE, THAT THE COMMISSION
22 FINDS TO HAVE SUFFERED LOSS OF TUITION OR ANY FEES AS A RESULT OF
23 ANY ACT OR PRACTICE THAT IS A VIOLATION OF THIS ARTICLE AND TO
24 PROVIDE ALTERNATE ENROLLMENT AS PROVIDED IN SUBSECTION (7) OF
25 THIS SECTION FOR STUDENTS ENROLLED IN AN INSTITUTION THAT CEASES
26 OPERATION.

27 (5) THE AMOUNT OF THE SURETY THAT A PRIVATE COLLEGE OR

1 UNIVERSITY SUBMITS PURSUANT TO SUBSECTION (3) OF THIS SECTION IS
2 THE GREATER OF FIVE THOUSAND DOLLARS OR AN AMOUNT EQUAL TO A
3 REASONABLE ESTIMATE OF THE MAXIMUM PREPAID, UNEARNED TUITION
4 AND FEES OF THE INSTITUTION FOR THE PERIOD OR TERM DURING THE
5 APPLICABLE ACADEMIC YEAR FOR WHICH PROGRAMS OF INSTRUCTION ARE
6 OFFERED INCLUDING, BUT NOT LIMITED TO, PROGRAMS OFFERED ON A
7 SEMESTER, QUARTER, MONTHLY, OR CLASS BASIS; EXCEPT THAT THE
8 INSTITUTION SHALL USE THE PERIOD OR TERM OF GREATEST DURATION
9 AND EXPENSE IN DETERMINING THIS AMOUNT IF THE INSTITUTION'S
10 ACADEMIC YEAR CONSISTS OF ONE OR MORE PERIODS OR TERMS.
11 FOLLOWING THE INITIAL FILING OF THE SURETY WITH THE DEPARTMENT,
12 THE PRIVATE COLLEGE OR UNIVERSITY SHALL RECALCULATE THE AMOUNT
13 OF THE SURETY ANNUALLY BASED ON A REASONABLE ESTIMATE OF THE
14 MAXIMUM PREPAID, UNEARNED TUITION AND FEES RECEIVED BY THE
15 INSTITUTION FOR THE APPLICABLE PERIOD OR TERM.

16 (6) (a) A STUDENT OR ENROLLEE, OR A PARENT OR GUARDIAN OF
17 THE STUDENT OR ENROLLEE, WHO CLAIMS LOSS OF TUITION OR FEES MAY
18 FILE A CLAIM WITH THE COMMISSION IF THE CLAIM RESULTS FROM AN ACT
19 OR PRACTICE THAT VIOLATES A PROVISION OF THIS ARTICLE. THE CLAIMS
20 THAT ARE FILED WITH THE COMMISSION ARE PUBLIC RECORDS AND ARE
21 SUBJECT TO THE PROVISIONS OF ARTICLE 72 OF TITLE 24, C.R.S.; EXCEPT
22 THAT THE DEPARTMENT SHALL NOT MAKE THE CLAIMS RECORDS PUBLIC IF
23 THE RELEASE WOULD VIOLATE A FEDERAL PRIVACY LAW.

24 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF
25 THIS SUBSECTION (6), THE COMMISSION SHALL NOT CONSIDER A CLAIM
26 THAT IS FILED MORE THAN TWO YEARS AFTER THE DATE THE STUDENT
27 DISCONTINUES HIS OR HER ENROLLMENT WITH THE INSTITUTION.

1 (7) (a) IF A PRIVATE COLLEGE OR UNIVERSITY CEASES OPERATION,
2 THE COMMISSION MAY MAKE DEMAND ON THE SURETY OF THE INSTITUTION
3 UPON THE DEMAND FOR A REFUND BY A STUDENT OR THE
4 IMPLEMENTATION OF ALTERNATE ENROLLMENT FOR THE STUDENTS
5 ENROLLED IN THE INSTITUTION, AND THE HOLDER OF THE SURETY OR, IF
6 THE SURETY IS A BOND, THE PRINCIPAL ON THE BOND SHALL PAY THE
7 CLAIM DUE IN A TIMELY MANNER. TO THE EXTENT PRACTICABLE, THE
8 COMMISSION SHALL USE THE AMOUNT OF THE SURETY TO PROVIDE
9 ALTERNATE ENROLLMENT FOR STUDENTS OF THE INSTITUTION THAT
10 CEASES OPERATION THROUGH A CONTRACT WITH ANOTHER AUTHORIZED
11 PRIVATE COLLEGE OR UNIVERSITY, A COMMUNITY COLLEGE, AN AREA
12 VOCATIONAL SCHOOL, OR ANY OTHER ARRANGEMENT THAT IS
13 ACCEPTABLE TO THE DEPARTMENT. THE ALTERNATE ENROLLMENT
14 PROVIDED TO A STUDENT SHALL REPLACE THE ORIGINAL ENROLLMENT
15 AGREEMENT, IF ANY, BETWEEN THE STUDENT AND THE PRIVATE COLLEGE
16 OR UNIVERSITY; EXCEPT THAT THE STUDENT SHALL MAKE THE TUITION
17 AND FEE PAYMENTS AS REQUIRED BY THE ORIGINAL ENROLLMENT
18 AGREEMENT, IF ANY.

19 (b) A STUDENT WHO IS ENROLLED IN A PRIVATE COLLEGE OR
20 UNIVERSITY THAT CEASES OPERATION AND WHO DECLINES THE ALTERNATE
21 ENROLLMENT REQUIRED TO BE OFFERED PURSUANT TO PARAGRAPH (a) OF
22 THIS SUBSECTION (7) MAY FILE A CLAIM WITH THE COMMISSION FOR THE
23 STUDENT'S PRORATED SHARE OF THE PREPAID, UNEARNED TUITION AND
24 FEES THAT THE STUDENT PAID, SUBJECT TO THE LIMITATIONS OF
25 PARAGRAPH (c) OF THIS SUBSECTION (7). THE COMMISSION SHALL NOT
26 MAKE A SUBSEQUENT PAYMENT TO A STUDENT UNLESS THE STUDENT
27 SUBMITS PROOF OF SATISFACTION OF ANY PRIOR DEBT TO A FINANCIAL

1 INSTITUTION IN ACCORDANCE WITH THE COMMISSION'S RULES
2 CONCERNING THE ADMINISTRATION OF THIS SECTION.

3 (c) IF THE AMOUNT OF THE SURETY IS LESS THAN THE TOTAL
4 PREPAID, UNEARNED TUITION AND FEES THAT HAVE BEEN PAID BY
5 STUDENTS AT THE TIME THE PRIVATE COLLEGE OR UNIVERSITY CEASES
6 OPERATION, THE DEPARTMENT SHALL PRORATE THE AMOUNT OF THE
7 SURETY AMONG THE STUDENTS.

8 (d) THE PROVISIONS OF THIS SUBSECTION (7) ARE APPLICABLE
9 ONLY TO THOSE STUDENTS ENROLLED IN THE PRIVATE COLLEGE OR
10 UNIVERSITY AT THE TIME IT CEASES OPERATION, AND, ONCE AN
11 INSTITUTION CEASES OPERATION, NO NEW STUDENTS SHALL BE ENROLLED
12 THEREIN.

13 (e) THE COMMISSION IS THE TRUSTEE FOR ALL PREPAID, UNEARNED
14 TUITION AND FEES, STUDENT LOANS, PELL GRANTS, AND OTHER STUDENT
15 FINANCIAL AID ASSISTANCE IF AN AUTHORIZED PRIVATE COLLEGE OR
16 UNIVERSITY CEASES OPERATION.

17 (f) THE COMMISSION SHALL DETERMINE WHETHER OFFERING
18 ALTERNATE ENROLLMENT FOR STUDENTS ENROLLED IN AN AUTHORIZED
19 PRIVATE COLLEGE OR UNIVERSITY THAT CEASES OPERATION IS
20 PRACTICABLE WITHOUT FEDERAL GOVERNMENT DESIGNATION OF THE
21 COMMISSION AS TRUSTEE FOR STUDENT LOANS, PELL GRANTS, AND OTHER
22 STUDENT FINANCIAL AID ASSISTANCE PURSUANT TO PARAGRAPH (e) OF
23 THIS SUBSECTION (7).

24 (8) FOR CLAIMS MADE PURSUANT TO THIS SECTION THAT DO NOT
25 INVOLVE A PRIVATE COLLEGE OR UNIVERSITY THAT CEASES OPERATION,
26 THE COMMISSION SHALL CONDUCT A HEARING TO DETERMINE WHETHER
27 THERE IS LOSS OF TUITION OR FEES, AND, IF THE COMMISSION FINDS THAT

1 A CLAIM IS VALID AND DUE THE CLAIMANT, THE COMMISSION SHALL MAKE
2 DEMAND UPON THE SURETY. IF THE HOLDER OF THE SURETY OR, IF THE
3 SURETY IS A BOND, THE PRINCIPAL ON THE BOND FAILS OR REFUSES TO PAY
4 THE CLAIM DUE, THE COMMISSION SHALL COMMENCE AN ACTION ON THE
5 SURETY IN A COURT OF COMPETENT JURISDICTION; EXCEPT THAT THE
6 COMMISSION SHALL NOT FILE AN ACTION MORE THAN SIX YEARS AFTER
7 THE DATE OF THE VIOLATION THAT GIVES RISE TO THE RIGHT TO FILE A
8 CLAIM PURSUANT TO THIS SECTION.

9 (9) THE AUTHORIZATION FOR A PRIVATE COLLEGE OR UNIVERSITY
10 IS SUSPENDED BY OPERATION OF LAW WHEN THE INSTITUTION IS NO
11 LONGER COVERED BY SURETY AS REQUIRED BY THIS SECTION. THE
12 DEPARTMENT SHALL GIVE WRITTEN NOTICE TO THE INSTITUTION AT THE
13 LAST-KNOWN ADDRESS, AT LEAST FORTY-FIVE DAYS BEFORE THE RELEASE
14 OF THE SURETY, TO THE EFFECT THAT THE INSTITUTION'S AUTHORIZATION
15 IS SUSPENDED BY OPERATION OF LAW UNTIL THE INSTITUTION FILES
16 EVIDENCE OF SURETY IN LIKE AMOUNT AS THE SURETY BEING RELEASED.

17 (10) THE PRINCIPAL ON A BOND FILED UNDER THE PROVISIONS OF
18 THIS SECTION IS RELEASED FROM THE BOND AFTER THE PRINCIPAL SERVES
19 WRITTEN NOTICE THEREOF TO THE COMMISSION AT LEAST SIXTY DAYS
20 BEFORE THE RELEASE. THE RELEASE DOES NOT DISCHARGE OR OTHERWISE
21 AFFECT A CLAIM FILED BY A STUDENT OR ENROLLEE OR HIS OR HER PARENT
22 OR LEGAL GUARDIAN FOR LOSS OF TUITION OR FEES THAT OCCURRED
23 WHILE THE BOND WAS IN EFFECT OR THAT OCCURRED UNDER ANY NOTE OR
24 CONTRACT EXECUTED DURING ANY PERIOD OF TIME WHEN THE BOND WAS
25 IN EFFECT, EXCEPT WHEN ANOTHER BOND IS FILED IN A LIKE AMOUNT AND
26 PROVIDES INDEMNIFICATION FOR ANY SUCH LOSS.

27 (11) EACH PRIVATE COLLEGE OR UNIVERSITY THAT FILES A SURETY

1 PURSUANT TO SUBSECTION (3) OF THIS SECTION SHALL PROVIDE ANNUAL
2 VERIFICATION OF CONTINUED COVERAGE BY SURETY AS REQUIRED BY THIS
3 SECTION IN A REPORT TO THE COMMISSION DUE BY JANUARY 1 OF EACH
4 YEAR. THE COMMISSION MAY DISAPPROVE A SURETY IF IT FINDS THAT THE
5 SURETY IS NOT ADEQUATE TO PROVIDE STUDENTS WITH THE
6 INDEMNIFICATION AND ALTERNATE ENROLLMENT REQUIRED BY THIS
7 SECTION.

8 (12) IF A PRIVATE COLLEGE OR UNIVERSITY THAT IS EXEMPT FROM
9 THE PROVISIONS OF THIS SECTION OR THAT DEMONSTRATES FINANCIAL
10 INTEGRITY PURSUANT TO SUBSECTION (2) OF THIS SECTION CEASES TO
11 OPERATE IN THIS STATE, THE STATE ATTORNEY GENERAL MAY FILE A
12 CLAIM AGAINST THE INSTITUTION ON BEHALF OF STUDENTS ENROLLED IN
13 THE INSTITUTION AT THE TIME IT CEASES OPERATION TO RECOVER ANY
14 AMOUNT OF UNEARNED, PREPAID TUITION THAT MAY BE OWED TO THE
15 STUDENTS.

16 (13) A SEMINARY OR RELIGIOUS TRAINING INSTITUTION IS NOT
17 SUBJECT TO THE REQUIREMENTS OF THIS SECTION.

18 **SECTION 9.** In Colorado Revised Statutes, **amend** 23-2-104 as
19 follows:

20 **23-2-104. Administration of article - complaints - injunctive**
21 **proceedings.** (1) The department ~~is charged with the administration of~~
22 SHALL ADMINISTER this article pursuant to statute and appropriate policies
23 adopted by the commission.

24 (2) (a) The commission shall specify procedures by which a
25 student or former student of a private college or university ~~bible college~~
26 or seminary OR RELIGIOUS TRAINING INSTITUTION may file a complaint
27 with the department concerning the institution in which the student is or

1 was enrolled. IF A FORMER STUDENT FILES A COMPLAINT, HE OR SHE MUST
2 DO SO WITHIN TWO YEARS AFTER DISCONTINUING ENROLLMENT AT THE
3 INSTITUTION. The department ~~is authorized to~~ MAY investigate complaints
4 based on a claim of a deceptive trade practice as described in subsection
5 (4) of this section. The department ~~shall~~ DOES not have jurisdiction to
6 consider complaints that infringe on the academic freedom OR religious
7 freedom OF, or question the curriculum content of, a private college or
8 university ~~bible college~~ or seminary OR RELIGIOUS TRAINING INSTITUTION;
9 except that the department ~~shall have~~ HAS jurisdiction to consider a
10 complaint that pertains to the general education core course requirements
11 of a private college or university ~~bible college~~, or seminary OR RELIGIOUS
12 TRAINING INSTITUTION, or to any of the specific core courses included in
13 said requirements, if the private college or university ~~bible college~~ or
14 seminary ~~has chosen~~ OR RELIGIOUS TRAINING INSTITUTION CHOOSES to
15 seek transferability of its general education core courses pursuant to
16 section 23-1-125 (5).

17 (b) Upon receipt of a complaint, the department shall verify that
18 the complaint warrants investigation under the guidelines established by
19 the commission and as a deceptive trade practice. A complaint will
20 warrant investigation only when the student has exhausted all complaint
21 and appeals processes available at the institution. THE DEPARTMENT
22 SHALL DISMISS a complaint ~~shall be dismissed~~ if it does not warrant
23 investigation under the commission's guidelines and is not a deceptive
24 trade practice. If the complaint warrants investigation, the department
25 shall first forward the complaint to the institution for a written response.
26 The institution shall have thirty days to ~~forward its response~~ RESPOND IN
27 WRITING to the department, and TO FORWARD a copy of the response ~~shall~~

1 ~~be forwarded~~ to the student. During the thirty-day period, the institution
2 may attempt to resolve the complaint with the student, and the department
3 shall assist in the efforts to resolve the complaint. If the department
4 determines at any time that a complaint no longer warrants investigation,
5 the department shall dismiss the complaint.

6 (c) If a complaint is not resolved during the thirty-day period, the
7 department may dismiss the complaint based on the institution's response,
8 investigate the complaint further, or recommend that the commission
9 evaluate the merits of the complaint. If the commission finds the
10 complaint is meritorious, it may recommend that the private college or
11 university or ~~bible college~~ or seminary OR RELIGIOUS TRAINING
12 INSTITUTION take appropriate action to remedy the complaint.

13 (d) If the private college or university ~~bible college~~ or seminary
14 OR RELIGIOUS TRAINING INSTITUTION does not take the action ~~on the~~
15 ~~recommendation of~~ RECOMMENDED BY the commission, the commission
16 may forward the complaint and findings to the attorney general.

17 (3) The commission, acting through the attorney general, may
18 proceed by injunction against any violation of this article, but an
19 injunction proceeding or an order issued therein or as a result thereof
20 shall not bar the imposition of any other penalty ~~imposed~~ for violation of
21 this article.

22 (4) It is a deceptive trade practice for:

23 (a) ~~A school~~ AN INSTITUTION or agent to make or cause to be
24 made any statement or representation, oral, written, or visual, in
25 connection with the offering of educational services if ~~such school~~ THE
26 INSTITUTION or agent knows or reasonably should have known the
27 statement or representation to be materially false, substantially inaccurate,

1 or materially misleading;

2 (b) ~~A school~~ AN INSTITUTION or agent to represent falsely OR TO
3 DECEPTIVELY CONCEAL, directly or by implication, through the use of a
4 trade or business name, ~~to deceptively conceal~~ the fact that it AN
5 INSTITUTION is a school;

6 (c) ~~A school~~ AN INSTITUTION or agent to adopt a name, trade
7 name, or trademark that represents falsely, directly or by implication, the
8 quality, scope, nature, size, or integrity of the ~~school~~ INSTITUTION or its
9 educational services;

10 (d) ~~A school~~ AN INSTITUTION or agent to intentionally and
11 materially represent falsely, directly or by implication, that students
12 ~~completing~~ WHO SUCCESSFULLY COMPLETE a course or program of
13 instruction ~~successfully~~ may transfer ~~credit therefor~~ THE CREDITS EARNED
14 to any institution of higher education;

15 (e) ~~A school~~ AN INSTITUTION or agent to intentionally and
16 materially represent falsely, directly or by implication, in its advertising
17 or promotional materials or in any other manner, the size, location,
18 facilities, or equipment of the ~~school~~ INSTITUTION; the number or
19 educational experience qualifications of its faculty; the extent or nature
20 of any approval received from any state agency; or the extent or nature of
21 any accreditation received from any accrediting agency or association;

22 (f) ~~A school~~ AN INSTITUTION or agent to provide prospective
23 students with ~~any~~ testimonials, endorsements, or other information that
24 has the tendency to materially mislead or deceive prospective students or
25 the public regarding current practices of the ~~school~~ INSTITUTION;

26 (g) An agent representing an out-of-state school to represent,
27 directly or by implication, that ~~said~~ THE school is ~~approved or accredited~~

1 AUTHORIZED by the state of Colorado OR APPROVED OR ACCREDITED BY
2 AN ACCREDITING AGENCY OR BODY WHEN THE INSTITUTION HAS NOT BEEN
3 AUTHORIZED, APPROVED, OR ACCREDITED;

4 (h) ~~A school or agent to designate titles to employees whose~~
5 ~~primary job duties are to recruit students, which titles have the tendency~~
6 ~~to mislead or deceive prospective students or the public regarding the~~
7 ~~authority or qualifications of such employees~~ AN INSTITUTION TO
8 DESIGNATE OR REFER TO ITS SALES REPRESENTATIVES BY TITLES THAT
9 IMPLY THE SALES REPRESENTATIVES HAVE TRAINING IN ACADEMIC
10 COUNSELING OR ADVISING IF THEY DO NOT.

11 **SECTION 10.** In Colorado Revised Statutes, **amend** 23-2-104.5
12 as follows:

13 **23-2-104.5. Fees - public hearing.** (1) The commission shall
14 establish ~~a fee~~ FEES to be paid by a private college or university ~~that~~
15 ~~submits an application pursuant to~~ OR SEMINARY OR RELIGIOUS TRAINING
16 INSTITUTION FOR THE ADMINISTRATION OF this article. The amount of the
17 ~~fee~~ FEES shall reflect the direct and indirect costs of ~~the administration of~~
18 ADMINISTERING this article. The commission shall propose, as part of the
19 department's annual budget request, an adjustment in the amount of the
20 fees that it is authorized to collect pursuant to this section. The budget
21 request and the adjusted fees shall reflect the direct and indirect costs of
22 administering this article.

23 (2) THE COMMISSION MAY ESTABLISH A FEE TO BE PAID TO THE
24 DEPARTMENT BY A PRIVATE COLLEGE OR UNIVERSITY THAT IS AUTHORIZED
25 PURSUANT TO THIS ARTICLE AND THAT APPLIES FOR APPROVAL OF AN
26 EDUCATOR PREPARATION PROGRAM PURSUANT TO SECTION 23-1-121. THE
27 AMOUNT OF THE FEE SHALL REFLECT THE DIRECT AND INDIRECT COSTS OF

1 THE DEPARTMENT IN ADMINISTERING THE PROVISIONS OF SECTION
2 23-1-121.

3 (3) PRIOR TO ESTABLISHING A NEW FEE OR INCREASING THE
4 AMOUNT OF AN EXISTING FEE, THE COMMISSION SHALL HOLD A PUBLIC
5 HEARING TO DISCUSS AND TAKE TESTIMONY CONCERNING THE NEW FEE OR
6 INCREASE IN FEES. THE COMMISSION SHALL PROVIDE NOTICE OF THE
7 PUBLIC HEARING AND THE PROPOSED NEW FEE OR FEE INCREASE TO EACH
8 PRIVATE COLLEGE OR UNIVERSITY AND SEMINARY AND RELIGIOUS
9 TRAINING INSTITUTION AT LEAST THIRTY DAYS PRIOR TO THE DATE OF THE
10 PUBLIC HEARING.

11 **SECTION 11.** In Colorado Revised Statutes, 12-59-105.1,
12 **amend** (5) as follows:

13 **12-59-105.1. Proprietary postsecondary education board -**
14 **established - membership.** (5) (a) The board members shall serve
15 four-year terms; except that, of the members first appointed to the board,
16 three members to be selected by the governor shall serve two-year terms.
17 ~~No~~ A member shall NOT serve more than two consecutive four-year
18 terms.

19 (b) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF
20 THIS SUBSECTION (5), OF THE THREE MEMBERS APPOINTED TO REPLACE
21 PERSONS WHOSE TERMS EXPIRE ON JUNE 30, 2012, ONE MEMBER SELECTED
22 BY THE GOVERNOR SHALL SERVE A TWO-YEAR TERM, ONE MEMBER
23 SELECTED BY THE GOVERNOR SHALL SERVE A THREE-YEAR TERM, AND ONE
24 MEMBER SELECTED BY THE GOVERNOR SHALL SERVE A FOUR-YEAR TERM.
25 SUBSEQUENT APPOINTMENTS TO THE POSITIONS IDENTIFIED IN THIS
26 PARAGRAPH (b) SHALL SERVE FOUR-YEAR TERMS.

27 (c) NOTWITHSTANDING THE PROVISIONS OF PARAGRAPH (a) OF THIS

1 SUBSECTION (5), OF THE FOUR MEMBERS APPOINTED TO REPLACE PERSONS
2 WHOSE TERMS EXPIRE ON JUNE 30, 2014, ONE MEMBER SELECTED BY THE
3 GOVERNOR SHALL SERVE A ONE-YEAR TERM, ONE MEMBER SELECTED BY
4 THE GOVERNOR SHALL SERVE A TWO-YEAR TERM, ONE MEMBER SELECTED
5 BY THE GOVERNOR SHALL SERVE A THREE-YEAR TERM, AND ONE MEMBER
6 SELECTED BY THE GOVERNOR SHALL SERVE A FOUR-YEAR TERM.
7 SUBSEQUENT APPOINTMENTS TO THE POSITIONS IDENTIFIED IN THIS
8 PARAGRAPH (c) SHALL SERVE FOUR-YEAR TERMS.

9 **SECTION 12.** In Colorado Revised Statutes, 12-59-118, **amend**
10 (1) as follows:

11 **12-59-118. Complaints of deceptive trade or sales practices.**

12 (1) A person claiming pecuniary loss as a result of a deceptive trade or
13 sales practice, pursuant to section 12-59-117, by a school or agent shall
14 FIRST EXHAUST ALL COMPLAINT AND APPEALS PROCESSES AVAILABLE AT
15 THE SCHOOL. IF THE PERSON'S COMPLAINT IS NOT RESOLVED TO THE
16 PERSON'S SATISFACTION, THE PERSON MAY file with the board a written
17 complaint against the school or agent. The complaint shall set forth the
18 alleged violation and SUCH other relevant information as may be required
19 by the board. A complaint filed under this section is a public record
20 subject to the provisions of article 72 of title 24, C.R.S., and shall be filed
21 within two years after the student discontinues his or her training at the
22 school or at any time prior to the commencement of training.

23 **SECTION 13.** In Colorado Revised Statutes, 12-47-902.5,
24 **amend** (5) (a) as follows:

25 **12-47-902.5. Alcohol-without-liquid devices - legislative**
26 **declaration - unlawful acts.** (5) (a) Subsection (3) of this section shall
27 not apply to a hospital, as defined in section 25.5-1-503 (3), C.R.S., that

1 operates primarily for the purpose of conducting scientific research, a
2 state institution conducting bona fide research, a private college or
3 university, as defined in section 23-2-102 ~~(3)~~ (11), C.R.S., conducting
4 bona fide research, or to a pharmaceutical company or biotechnology
5 company conducting bona fide research and that complies with the
6 provisions of this subsection (5).

7 **SECTION 14.** In Colorado Revised Statutes, 12-59-115, **amend**
8 (13) as follows:

9 **12-59-115. Bonds.** (13) For the purposes of this section, "school"
10 and "private occupational school" shall include a for-profit private college
11 or university, as defined in section 23-2-102 ~~(3)~~ (11), C.R.S., in which the
12 majority of students are enrolled in courses and programs that are
13 occupational in nature, as defined by the board.

14 **SECTION 15. Appropriation.** In addition to any other
15 appropriation, there is hereby appropriated, to the department of higher
16 education, for the fiscal year beginning July 1, 2012, the sum of \$75,500
17 cash funds, from fees paid by private colleges and universities pursuant
18 to section 23-2-104.5, Colorado Revised Statutes, or so much thereof as
19 may be necessary, for the implementation of this act.

20 **SECTION 16. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.