To: Higher Education and Employment Advancement Committee

From: Richard H. Strauss, Executive Director, Connecticut Academy of Science and Engineering

Date: March 19, 2013

SUBJECT: TESTIMONY: HB-1139 – An Act Concerning Changes to Program Approval for Colleges and Universities

REF: CASE Report: *"Strategies for Evaluating the Effectiveness of programs and Resources for Assuring Connecticut's Skilled Workforce Meets the needs of Business and Industry Today and in the Future"*

FOLLOW-UP ON RECOMMENDATION REGARDING STATE APPROVAL OF INDEPENDENT COLLEGE PROGRAMS

On January 17, 2013, following the Connecticut Academy of Science and Engineering (CASE) Briefing on the Workforce Study to the Higher Education and Employment Advancement Committee, CASE has been engaged in discussions on the issues concerning the study's suggested recommendation on the requirement for State Board of Education approval of independent college programs:

> *"Support the elimination of the program approval requirement for all independent colleges being approved by the State Board of Education. The program approval process should be based upon the individual institution's governance process. This change will help streamline the process for colleges and universities to respond to market and employer needs while reflecting the recent reorganization in state government." [CASE Report; Executive Summary (Page xv); and body of the report (Page 89)]*

BACKGROUND INFORMATION

The following provides background into the development of the CASE recommendation:

1. Meeting the Needs of Business and Industry: Throughout the study process, information was gathered regarding the importance of aligning higher education with the needs of business and industry. This involves having the independent colleges, as well as the state's university system, being able to quickly develop and offer programs to meet both the education needs of their students and the businesses that they develop relationships with. In an increasingly globally competitive environment, quick response is key. This message was heard by members of the CASE Research Team through participation on several workforce related committees during the study process including the Workforce Development subcommittee of the Connecticut Employment and Training Commission, and the National Governors' Association Policy Academy on Advanced Manufacturing.
2. Guest Speakers: Additionally, guest speakers providing presentations for study committee meetings echoed the need for having higher education better meet the workforce needs of business and industry, while still taking into consideration the principal missions of higher education institutions.
3. Connecticut Higher Education System Reorganization: Reorganization of the state's higher education system necessitated assigning program approval for independent colleges to a new governing body since the Board of Governors for Higher Education was eliminated. The solution was to assign this task to the State Board of Education whose responsibilities deal primarily with Pre-K through high school and adult education.

FINDINGS: (Report pages 79-80)

The findings presented in the report on program approval are as follows:

- Under current Connecticut law, approval of new and revised academic programs at any of the state's degree-granting independent nonprofit colleges, out-of-state higher education institutions, and public universities is reviewed by the Advisory Committee on Accreditation, administered by the Office of Higher Education.
- Program approval decisions for In-state and out-of-state independent higher education institutions is made by the State Board of Education
- Program approval decisions for public universities is made by the Board of Regents.
- During the 2012 legislative session, HB-5221, "An Act Concerning Changes to Program Approval for Colleges and Universities," was raised but not adopted.
  - ✓ This bill proposed eliminating the requirement that nonprofit independent institutions of higher education authorized to operate in this state for more than twenty years obtain approval from the State Board of Education to implement new and revised academic programs (Link to HB-5221).
- Currently, depending on the timing of State Board of Education meetings and an institution's academic calendar, the program review and approval process can take at least four months and can delay the start of a new program for up to a year.
- According to the Connecticut Conference of Independent Colleges (CCIC), Connecticut's program approval process is significantly more stringent and complex than that of most other states (Link to CCIC State Survey):
  - ✓ 39 states had absolutely no approval process for independent colleges; and of the eleven remaining states, four had only a review process rather than a formal approval process.
  - ✓ The seven states that require a formal approval process include Connecticut, Illinois, Maryland, Massachusetts, New Hampshire, New York, and Ohio.
  - ✓ Similar cross-sectional findings concerning individual state licensure and approval processes can be found in a similar report published by the Education Commission of the States.
- The removal of impediments to program approval could afford independent universities improved responsiveness to regional labor market conditions and in doing so improve the dynamics of the state's education pipeline.

PROPOSAL CONSIDERATIONS

- The proposal to remove state approval for new or revised academic degree programs of independent colleges is not without one important caveat.
  - ✓ The quality of an educational program is an important aspect that potential students must consider when selecting where to pursue postsecondary studies.
  - ✓ It is often difficult to find independent measures of higher education that report workforce outcomes and wages. This presents a challenge that warrants some level of consumer protection but does not necessarily justify the need for a state program approval process.

- Concept for Consideration: A suggested revision of the state statute would address both the concerns regarding the approval process noted by the CCIC and the need to take into consideration the issues regarding consumer protection.
  - ✓ One prospective solution would be to require that all independent colleges in Connecticut participate in the proposed state longitudinal data system (SLDS).
  - ✓ Participation in the proposed SLDS would allow for the creation of publicly available statistics on workforce outcomes and average wages for graduates of each degree program offered by the independent universities.
  - ✓ The proposed system would allow independent higher education institutions to quickly respond to regional labor market conditions by removing the need for state approval of degree programs while assuring regulators that consumers would have the information necessary to make informed choices.
  - ✓ This solution aligns with the underlying purpose of this report in that it enhances responsiveness of existing workforce training systems while producing additional data that allows for increased transparency.

The focus of the CASE recommendation was to provide independent colleges with the authority to react to the market by meeting the needs of business and industry through their own governance structure. While consumer protection issues were mentioned in the analysis, eliminating state program approval would also need to take into consideration consumer protection mechanisms regarding program quality.

The recommendation is targeted at the current requirement of state approval for new and revised programs, not at the institutional licensure level. Institutional licensure was not addressed in the report, nor the entity that should have the responsibility for institutional licensure review and approval. Therefore, it is noted that while the CASE report suggests that the State Board of Education, whose responsibilities are primarily devoted to Pre-K through high school, should not be the entity responsible for higher education program approval, the report does not suggest an alternative for dealing with institutional licensure. Conditions of institutional licensure may be an alternative for allowing independent colleges to develop and offer programs without specific state approval, while also imposing some overall requirements on the authority of individual institutions with regard to program approval.