



# NEW ENGLAND BOARD OF HIGHER EDUCATION

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*Office of the President*

February 28, 2014

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

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

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

Dear Senator Cassano and Representative Willis,

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

**Background of SARA:**

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

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

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

### **SARA, a nationwide agreement**

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

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

SARA is built on three partnerships:

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

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

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

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

### **A voluntary agreement**

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

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

### **Benefits of reciprocity**

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

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

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

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

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

Sincerely,



Michael Thomas  
President and CEO  
New England Board of Higher Education