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## **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)