



South Carolina Commission on Higher Education

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CHE
5/7/15
Agenda Item 6.02.1

May 7, 2015

MEMORANDUM

To: Chairman John L. Finan and Members, SC Commission on Higher Education Members

From: Dr. Bettie Rose Horne and Members, Committee on Academic Affairs and Licensing

Nonpublic Postsecondary Institution Licensing: Review of Licensing Criteria

In its 2014-2015 Strategic Agenda, the Commission included "Strengthen Monitoring and Assessment of Nonpublic Postsecondary Institutions Operating in SC" as one of its targeted objectives. The Strategic Agenda identified the following action steps to address this objective:

- Establish performance metrics and outcome measures for assessment of programs at nonpublic institutions
- Redirect CHE staffing and resources to focus on performance metrics of programs at nonpublic institutions approved in the past five years
- Improve functional collaboration between CHE's State Approving Agency (veterans' benefit programs) and Academic Affairs and Licensing Division.

Since October 2014, Academic Affairs staff has reviewed the existing criteria and is developing recommendations for changes in the requirements for licensing. A table is attached showing the areas of recommended changes. Academic Affairs staff is currently in the process of creating a draft document that incorporates the priorities identified in the table, and will continue to share revisions and updates with Commissioners as they become available.

Academic Affairs staff anticipates submitting a recommendation for statutory changes to the Committee on Academic Affairs and Licensing (CAAL) at its October 1, 2015, meeting. CAAL will then submit its recommendations to the full Commission at its November 5, 2015, meeting. The changes will then be submitted to the General Assembly for action. Academic Affairs staff will also submit the notices and documents required by the South Carolina Legislative Council for statutory and regulatory changes.

SUGGESTED AREAS FOR REVIEW – LICENSING STATUTE

Rows not shaded are edits, corrections, or alignment to current practices

Rows lightly shaded require minimal to moderate revisions

Rows darkly shaded require significant revision or increased authority for discussion

Green shaded rows are priorities

Statute/Regulation Section	Issue	Purpose
SHORT TITLE 59-58-10	Add purpose	Add general purpose of the licensing function
DEFINITIONS 59-58-20	Add definition	(1) "Commissioner" to "Executive Director" (18) Add "surety" definition
DEFINITIONS 59-58-20	Refine and align to practice	(17) Operating or soliciting (b) Remove clinical experiences (18) Remove "religious or theological training" (duplicates)
EXCLUSIONS/EXEMPTIONS 59-58-30	Refine exemptions	(1) Grandfather for incorporated or founded before 1965 (4) Clarify that exemption for religious or theological is for programs rather than institutions (6) Remove duplicate language (7) Remove unnecessary explanation (11) Reconstruct to clarify language (12) Designate program instead of degree (14) Edit
EXCLUSIONS/EXEMPTIONS 59-58-30	Refine language for exemptions, Out-of-state public institutions	FOR DISCUSSION: Exempt out-of-state public institutions from licensing.
AUTHORITY 59-58-40	Remove repetitive language	Preamble to refine language, eliminate duplication
AUTHORITY 59-58-40	Outcomes measures for assessment	(1) Edits, add authority to establish assessment of programs
AUTHORITY 59-58-40	Edits	(2) Remove duplicate language (3) Move to section -90, agent (4) Refine language
LICENSURE REQUIREMENTS 59-58-50.	Refine language, remove access and equity reference	(A) Clarify distance education that originates in SC and remove access and equity provision that is unenforceable. Similar provisions have been invalidated by courts; provision carried over from previous licensing authority intended to protect specific programs developed to increase diversity
LICENSURE REQUIREMENTS 59-58-50.	Expand circumstances institutions must notify CHE	(B) Add factors of investigations or negative actions of USDE, accrediting, or licensing agencies
LICENSE REQUIREMENTS 59-58-50.	Transfer of ownership language references sale of institution that owner must comply with the requirements for licensure	(C) Include CHE authority to determine what constitutes a change of ownership.
LICENSURE REQUIREMENTS 59-58-50.	Edits, remove repetitive language	(D) Remove repetitive (E) Add locations (F) Edits to simplify
APPROVAL OF NAME 59-58-60	Minor edits, remove duplicate language	Preamble edit to simplify (B) correct formatting, refine language
FEES 59-58-70	Current language does not include site visit costs	Add site visit fee

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STUDENT TUITION RECOVERY 59-58-80	No provision for cancellation where the surety is a letter of credit	(A) Change term "bond" to "surety" (B) Add clarifying clause Consider ways to protect students where surety is not a bond
STUDENT TUITION RECOVERY 59-58-80.	Access to surety documents	(C) Eliminate delivery of surety to State Treasurer (D) Simplify purpose of student recovery fund
AGENT PERMIT 59-58-90	Edits, remove unnecessary language	(A) Moved from -40 (B) (C) Refine language
ENFORCEMENT 59-58-100, 110, 120, 130	Collaborate with AG to investigate and craft proposed changes	Develop parameters under which CHE could seek criminal penalties (now civil only) and other ways to enforce compliance.