***** Act 45 of 2015 THIS ACT IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

HIGHER EDUCATION AUTHORIZATION AND DISTANCE EDUCATION RECIPROCAL EXCHANGE ACT

Act 45 of 2015

AN ACT to provide for the reciprocal exchange of distance education between this state and other states or a higher education compact; to prescribe the powers and duties of certain state agencies and officials; to provide for collection of fees; to designate the state agency for negotiating distance education agreements; to establish a complaint process for students enrolled in distance education programs at participating colleges and universities; to establish an authorization and approval process for out-of-state distance education providers and participating colleges and universities in this state; to provide penalties; and to repeal acts and parts of acts.

History: 2015, Act 45, Imd. Eff. June 9, 2015

The People of the State of Michigan enact:

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***** 390.1691 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1691 Short title.

Sec. 1.

This act shall be known and may be cited as the "higher education authorization and distance education reciprocal exchange act".

History: 2015, Act 45, Imd. Eff. June 9, 2015
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1692 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1692 Definitions.

Sec. 2.

As used in this act:

(a) "Accredited" means approved by an accrediting body recognized by the United States Department of Education.

(b) "Authorization" means either of the following:

(i) An authorization from the department under section 4(1) to participate in a reciprocal agreement.

(ii) An authorization from the department under section 4(3) to provide distance education to residents of this state issued to a college or university that is located in another state and is not a party to a reciprocal agreement.

(c) "College or university" means a degree or certificate granting public or private college or university, junior college, or community college.

(d) "Department" means the department of licensing and regulatory affairs.

(e) "Distance education" means education that uses 1 or more technologies to deliver instruction to students who are separated from the instructor, and to support regular and substantive interaction between the students and the instructor, either synchronously or asynchronously. As used in this subdivision, "technologies" may include any of the following:

(i) The Internet.

(ii) One-way and 2-way transmissions through open broadcast, closed circuit, cable, microwave, broadband lines, fiber optics, satellite, or wireless communications devices.

(iii) Audio conferencing.

(iv) Video cassettes, DVDs, and CD-ROMs, if the cassettes, DVDs, or CD-ROMs are used in a course in conjunction with any of the technologies described in subparagraph (i), (ii), or (iii).

(f) "Participating college" means a college or university that is located in this state; elects to participate in a reciprocal agreement under this act; and meets the requirements of section 4.

(g) "Reciprocal agreement" means an agreement between this state and a higher education compact or 1 or more other states that allows participating colleges to provide distance education to residents of this state and other member states under this act.

History: 2015, Act 45, Imd. Eff. June 9, 2015
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1693 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1693 Reciprocal agreements with public education agencies in other states or higher education compact; rules.

Sec. 3.

(1) The department may on behalf of this state enter into reciprocal agreements with public educational agencies in other states or a higher education compact.

(2) The department may promulgate rules it considers necessary to implement, administer, and enforce this act. The department shall promulgate these rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

History: 2015, Act 45, Imd. Eff. June 9, 2015
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1694 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1694 Participation of state college or university in reciprocal agreement; authorization; requirements; expiration; renewal; authorization for out-of-state college or university to provide distance education to residents; requirements; expiration; renewal; fees.

Sec. 4.

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(1) The department shall authorize a college or university that is located in this state to participate in a reciprocal agreement to which the department is a party if the college or university meets all of the following:

(a) Enters into an agreement with the department to subject itself to section 5 and the other requirements of this act.

(b) Is an accredited college or university.

(c) Submits an application for authorization to participate in the reciprocal agreement, on a form and with accompanying documentation as prescribed by the department, that provides the name of the college or university, its business address in this state, the name of an individual designated for contact, proof of accreditation, proof of financial responsibility in the form of proof of certification, under 34 CFR 668.13, of compliance with the financial responsibility standards of 34 CFR, part 668, subpart L, and any other relevant information requested by the department.

(d) Pays an application fee of $2,000.00 and an initial authorization fee of $2,000.00.

(2) An authorization under subsection (1) to participate in a reciprocal agreement expires on December 31. A participating college may renew an authorization for 1 or more additional calendar years by submitting an application for renewal on a form prescribed by the department, and paying an annual renewal fee of $2,000.00, by December 1 of each year.

(3) A college or university that is located outside of this state and is not a party to a reciprocal agreement to provide distance education to residents of this state may elect to obtain authorization from the department to provide that distance education. The department shall provide that authorization if the college or university meets all of the following:

(a) Enters into an agreement with the department to subject itself to section 5 and the other requirements of this act.

(b) Submits an application for authorization to provide distance education to residents of this state, on a form and with accompanying documentation as prescribed by the department, that provides the name of the college or university, its business address, the name of an individual designated for contact, proof of accreditation, proof of financial responsibility in the form of proof of certification, under 34 CFR 668.13, of compliance with the financial responsibility standards of 34 CFR, part 668, subpart L, and any other relevant information requested by the department.

(c) Pays an application fee of $5,000.00 and an initial authorization fee of $5,000.00.

(4) An authorization under subsection (3) to provide distance education to residents of this state expires on December 31. A college or university may renew an authorization obtained under subsection (3) for 1 or more additional calendar years by submitting an application for renewal on a form prescribed by the department, and paying an annual renewal fee of $5,000.00, by December 1 of each year.

(5) Fees collected under this act shall be used solely for administrative expenses incurred under this act and are not refundable.

History: 2015, Act 45, Imd. Eff. June 9, 2015

Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1695 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

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390.1695 Assurance that student will receive services for which payment is made; compensation for services not received; rules; protection of student records; complaint; standards of practice.

Sec. 5.

(1) Each participating college and each out-of-state college or university that holds an authorization from the department under section 4(3) shall assure that each student enrolled in a distance education program at that participating college or out-of-state college or university receives the services for which he or she has paid, or receives reasonable financial compensation for those services he or she has not received if a course in which he or she is enrolled is terminated before the expected completion date of that course. This assurance shall be in writing and may include tuition assurance funds, surety bonds, teach-out provisions, or other practices considered sufficient to protect consumers by the department. The department may promulgate rules for the administration of this subsection, including the development of forms it considers appropriate.

(2) Each participating college and each out-of-state college or university that holds an authorization from the department under section 4(3) shall provide for the protection of student records for students enrolled in a distance education program at that participating college or out-of-state college or university and shall comply with any rules promulgated by the department concerning the protection of those student records.

(3) Each participating college and each out-of-state college or university that holds an authorization from the department under section 4(3) shall adopt and publish a written policy that allows students enrolled in a distance education program at that participating college or out-of-state college or university to file a complaint with the department for any violation of this act or rules promulgated under this act. The department shall establish a complaint process for those students.

(4) Each participating college and each out-of-state college or university that holds an authorization from the department under section 4(3) shall meet the standards of practice contained in the interregional guidelines for the evaluation of distance education, published by the Council of Regional Accrediting Commissions in July of 2009, which are incorporated by reference.

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History: 2015, Act 45, Imd. Eff. June 9, 2015
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1696 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1696 Violation of act, rule, or order; duties of department; administrative fine; limitation.

Sec. 6.

(1) After notice and opportunity for hearing under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, the department shall do 1 or more of the following if it determines that a participating college that holds an authorization from the department under section 4(1), or an out-of-state college or university that holds an authorization from the department under section 4(3), has violated this act, a rule promulgated under this act, or an order issued under this act:

(a) Place a limitation on the authorization.
(b) Suspend the authorization.
(c) Deny an authorization or renewal of the authorization.
(d) Revoke the authorization.
(e) Assess an administrative fine under subsection (2).
(f) Order restitution to an aggrieved student who participated or is participating in a distance education program.
(g) Impose any other sanction established by the department by rule.
(2) The department may assess an administrative fine of not more than $1,000.00, plus the department's actual costs of the investigation, for a violation of this act or rules promulgated under this act. However, the department may not assess administrative fines under this subsection against a college or university that in the aggregate are more than $5,000.00 for multiple violations of this act or rules promulgated under this act that arise from the same transaction.

History: 2015, Act 45, Imd. Eff. June 9, 2015
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

***** 390.1697 THIS SECTION IS REPEALED BY ACT 127 OF 2023 EFFECTIVE SEPTEMBER 30, 2029 *****

390.1697 Repeal of act.

Sec. 7.

This act is repealed effective September 30, 2029.

History: 2015, Act 45, Imd. Eff. June 9, 2015 ;-- Am. 2017, Act 99, Imd. Eff. July 13, 2017 ;-- Am. 2023, Act 127, Imd. Eff. Sept. 29, 2023
Compiler's Notes: For the transfer of powers and duties of the department of licensing and regulatory affairs to the department of labor and economic opportunity, see E.R.O. No. 2019-3, compiled at MCL 125.1998.

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