

State Authorization Notification for DE Websites

State Authorization to Offer Online Classes

Background

With the rapid growth of online college course-taking opportunities, states and online providers are looking for ways to manage **state authorization and oversight functions**. States have traditionally maintained responsibility for authorizing postsecondary institutions to operate within their state lines. The advent and rapid growth of online education has raised **new concerns around issues of quality, consumer protection and cost (1)**

To assure compliance with state laws, institutions **offering online education to students living in other states** *now must contact each of those states to determine if, how, and at what cost the institution can become authorized to teach those students*. State laws vary widely, as do application procedures and costs. With some states, it's a fairly straightforward process; for others, it's complicated, time-consuming, and/or expensive. At present there is no alternative to this institution-by-institution, state-by-state process. For institutions enrolling students in many states, it involves a significant commitment of resources. **(2)**

The Law

*If an institution is offering postsecondary education to students in a State in which it is not physically located or in which it is otherwise subject to State jurisdiction as determined by the State, **the institution must meet any State requirements for it to be legally offering postsecondary online education in that State**. An institution must be able to document to the Secretary the State's approval upon request. (Authority: 20 U.S.C. 1001 and 1002) (3)*

Furthermore, in compliance with the language passed in the Higher Education Opportunities Act of 2008, the U.S. Department of Education (USDOE) conducted a Negotiated Rule Making Process in 2010, institutions offering education must provide enrolled and prospective students with contact information for filing complaints with its accrediting agency and with the appropriate state agency for

handling complaints in the student's state. Below is information on a state-by-state list the agencies in each state responsible for complaints regarding out-of-state online education programs. (4)

[Complaint resolution contacts by state](#)

To resolve some of the above issues and concerns, a number of States formed SARA.

What is SARA?

The **State Authorization Reciprocity Agreement** is an agreement among member states, districts and territories that establishes comparable national standards for interstate offering of postsecondary distance education courses and programs. It is intended to make it easier for students to take online courses offered by postsecondary institutions based in another state. SARA is overseen by a National Council and administered by four regional education compacts. Note: Currently California is NOT a member of SARA, but legislation is under consideration to also have California become a SARA Member.

[Recommendation for review by LAMC Academic Senate](#)

Effective July 1, 2015, the United States Department of Education requires that the Los Angeles Community College District/colleges obtain approval from each out-of-state student's state of residency before he/she may enroll in an online course. Out-of-State students not residing in California, and for which the College doesn't have a current State Authorization Agreement, will be excluded. Active military personal are exempt.

[Stakeholders March 24, 2015 recommendation – approved](#)

[Academic Senate Committee April 13, 2015 – approved](#)

[District Academic Senate Online Education Committee April 21, 2015 – approved](#)

Impact: Starting July 1, 2015, LACCD Colleges, including Mission, will need to address, enforce and implement the new law. To do this, Admissions, OIE, and other college units will first identify out of state students registered for online

class (zip codes not in California), and then determine if LAMC has the requisite state authorization from that particular state, and if not then the student would be notified accordingly and dropped from the class. It, of course, would be preferable to identify the students before they register, and then block them from adding the online class. This cannot be accomplished until the full deployment and integration of the new LACCD system-wide student portal (peoplesoft) in Fall 2016 (5)

footnotes

- (1) <http://strategylabs.luminafoundation.org/higher-education-state-policy-agenda/core-element-three/expand-on-line-learning-through-sara/>
- (2) <http://www.sheeo.org/resources/state-policy-leadership/getting-know-sara>
- (3) *20 U.S.C. 1001 and 1002 -*
<https://www.law.cornell.edu/uscode/text/20/1001>
- (4) <http://ecampus.oregonstate.edu/services/doe-compliance.htm>
- (5) <http://elaccampusnews.com/2014/10/16/laccd-to-implement-new-online-student-system/>

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