

1 **SENATE FLOOR VERSION**

2 February 25, 2025

3 SENATE BILL NO. 760

By: Prieto

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6 An Act relating to higher education; amending 70 O.S.
7 2021, Section 4103, as amended by Section 1, Chapter
8 122, O.S.L. 2023 (70 O.S. Supp. 2024, Section 4103),
9 which relates to accreditation of private
10 institutions of higher education; updating statutory
11 reference; providing exemption for certain
12 organizations and institutions; updating statutory
13 language; providing an effective date; and declaring
14 an emergency.

15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 70 O.S. 2021, Section 4103, as
17 amended by Section 1, Chapter 122, O.S.L. 2023 (70 O.S. Supp. 2024,
18 Section 4103), is amended to read as follows:

19 Section 4103. A. As used in this section:

- 20 1. "Degree-granting institution" means an institution that
21 offers education leading to an associate's degree or higher;
- 22 2. "Non-degree-granting activity" means offering education or
23 training that does not lead to an associate's degree or higher; and
- 24 3. "State authorization reciprocity agreement" means an
agreement among states, districts, and territories that establishes

1 comparable standards for providing distance education from their
2 postsecondary educational institutions to out-of-state students.

3 B. All private and out-of-state public degree-granting
4 institutions shall be accredited by an accrediting agency which is
5 recognized by the Secretary of the United States Department of
6 Education as a reliable authority as to the quality of education or
7 training offered by institutions of higher education for the
8 purposes of the Higher Education Act of 1965, as amended.

9 Additionally, for the purposes of consumer protection and to
10 maintain financial eligibility for Title IV funding as described in
11 34 CFR Part 600, institutions shall be authorized according to the
12 policies and procedures established by the Oklahoma State Regents
13 for Higher Education. These policies and procedures shall be
14 limited to the minimum necessary to ensure that private and out-of-
15 state degree-granting institutions that operate in this state by any
16 modality meet the same standards of academic quality and fiscal
17 responsibility required for institutions of higher education within
18 The Oklahoma State System of Higher Education. Beginning with the
19 2023-2024 academic year, the State Regents shall:

20 1. Establish and collect fees annually from applicants for
21 authorization as necessary to cover the costs of authorization;

22 2. Require applicants for authorization to submit payment in an
23 amount established by the State Regents into the Tuition Recovery
24 Revolving Fund created in ~~Section 2~~ Section 4103.1 of this act

1 title, which shall be used to offset student tuition losses in the
2 event an authorized institution closes or ceases operations; and

3 3. Be authorized to deny, not renew, or revoke an institution's
4 authorization if it is found to be in violation of the Oklahoma
5 statutes, it fails to meet the minimum authorization standards
6 established by the State Regents, or an accrediting agency or other
7 government entity revokes its approval, which is material to the
8 continuity of the institution. An institution subject to the
9 provisions of this paragraph shall be given reasonable notice and an
10 opportunity to be heard prior to a decision to deny, not renew, or
11 revoke authorization.

12 C. The following institutions shall be exempt from this
13 section:

14 1. Private institutions participating in the Oklahoma Tuition
15 Equalization Grant program; ~~and~~

16 2. Out-of-state public and private institutions participating
17 in a state authorization reciprocity agreement that only conduct
18 activities in Oklahoma that are acceptable under the terms and
19 conditions of the state authorization reciprocity agreement; and

20 3. Religious organizations or any degree-granting institutions
21 whose primary purpose is to provide religious training or
22 theological education and which are exempt from taxation pursuant to
23 the provisions of Section 501(c)(3) of the Internal Revenue Code of
24 1986, as amended.

1 D. Non-exempt institutions engaged in ~~non-degree-granting~~ non-
2 degree-granting activities, such as offering certificates and
3 diplomas, shall be subject to the standards administered by the
4 Oklahoma Board of Private Vocational Schools.

5 E. The State Regents shall promulgate rules to implement the
6 provisions of this section.

7 SECTION 2. This act shall become effective July 1, 2025.

8 SECTION 3. It being immediately necessary for the preservation
9 of the public peace, health, or safety, an emergency is hereby
10 declared to exist, by reason whereof this act shall take effect and
11 be in full force from and after its passage and approval.

12 COMMITTEE REPORT BY: COMMITTEE ON EDUCATION
13 February 25, 2025 - DO PASS
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