State authorization for distance education
3/20/2020

Issue
An institution may be responsible for state compliance requirements in each state outside of the home state of the institution where the students are located while participating in the converted online courses. An institution that does not participate in reciprocity through SARA (State Authorization Reciprocity Agreements) or is a private for-profit institution that does not have institutional approval in California must consider individual state compliance requirements.

Impacted
Institutions that have students who left the state of the institution to be located in another state to complete the converted online courses may be impacted by any oversight requirements by the other states.

Effective Dates
Approval by the state higher education agency may be required for the dates for which the students are located in other states to participate in courses. On March 20, 2020, Department of Education (USED) extended flexibility beyond the current term to include when students enroll in payment periods that begin on or before June 1, 2020. The USED may extend the timeframe, if appropriate.

Background
States maintain oversight of activities that occur in their state including students participating in online courses. Institutions maybe be approved to offer activities in states though individual state compliance or participation in reciprocity through SARA (State Authorization Reciprocity Agreements). Institutions that do not participate in SARA may need to seek state institutional approval for their face to face students who went outside of the state of the institution to participate in converted online courses. This is an issue for California institutions, institutions that chose not to participate in SARA, and for-profit institutions that do not have state approval to offer courses to students located in California. More than 2000 institutions have state institutional approval through reciprocity by SARA.

Federal regulations tie state compliance to participation in Title IV HEA programs. The Department of Education (USED) guidance from March 5, 2020 provided flexibility regarding state compliance for purposes of Title IV. However, that guidance did not absolve the institution from compliance with the states for institutions not subject to SARA policy. Some states have relaxed requirements. However, states vary as to their requirements and level of flexibility.

Recommended Action(s)
- Track the location of your students - Know where your students are located.
- Document – Make a record of all changes to maintain educational continuity.
- Review & comply with any requirements - Check state higher education resources for any state compliance requirements in the states where the student is located.
Applicable regulations

- State regulations vary per state
- Federal Regulations: 34 CFR 600.9(c)
- Guidance for interruptions of study related to Coronavirus (COVID-19); USED 3/5/20 updated 3/20/20

Resources

The State Authorization Guide
State Higher Education Executive Officers (SHEEO) – COVID-19 State Plans/Resources
NC-SARA Website
WCET/State Authorization (SAN) Website

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