

**HB1223/454666/1**

BY: Appropriations Committee

AMENDMENTS TO HOUSE BILL 1223  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 8, after “time” insert “under certain circumstances”; in line 11, after “circumstances” insert “within a certain period of time”; in line 12, after “circumstances;” insert “requiring the Commission to render a certain decision within a certain period of time;”; in line 22, after “circumstances;” insert “requiring the Commission to submit certain reports to the Governor and the General Assembly;”; in line 28, after “to” insert “a”; and in the same line, strike “exceptions” and substitute “exception”.

On page 2, in line 9, after “System;” insert “providing for the construction of this Act;”; and strike beginning with “providing” in line 5 down through “circumstances” in line 7 and substitute “providing that an institution shall be subject to a certain fine if it fails to register with the Commission under certain circumstances”.

AMENDMENT NO. 2

On page 3, in lines 13, 20, 22, 27, and 29, in each instance, strike “**OR REGISTRATION**”; strike beginning with “**OR**” in line 14 down through “**REGISTRATION**” in line 15; in line 17, after “(2)” insert “**(I)**”; in line 18, strike “, and within” and substitute “.

**(II) WITHIN**;

in line 23, strike “**NOT**”; in the same line, strike the brackets; strike beginning with “**OR**” in line 23 down through “**RECEIVED**” in line 25 and substitute “nor”; after line 27, insert:

(Over)

“(C-1)(1) IF THE COMMISSION BELIEVES THAT AN INSTITUTION OF POSTSECONDARY EDUCATION THAT IS REQUIRED TO REGISTER UNDER § 11-202.2 OF THIS SUBTITLE DOES NOT MEET THE CONDITIONS OR STANDARDS NECESSARY FOR THE ISSUANCE OF THE REGISTRATION, THE COMMISSION SHALL GIVE THE INSTITUTION WRITTEN NOTICE OF THE SPECIFIC DEFICIENCIES WITHIN 6 MONTHS AFTER RECEIPT OF AN APPLICATION FOR REGISTRATION.

(2) (I) WITHIN 20 DAYS AFTER RECEIPT OF A NOTICE OF DEFICIENCIES, THE INSTITUTION MAY REQUEST A HEARING BEFORE THE COMMISSION.

(II) WITHIN 60 DAYS AFTER RECEIPT OF THE REQUEST FOR A HEARING UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL HOLD A HEARING TO DETERMINE IF THE REGISTRATION SHOULD BE ISSUED.

(3) (I) IF, AFTER 6 MONTHS FROM THE DATE ON WHICH THE APPLICATION FOR REGISTRATION WAS SUBMITTED TO THE COMMISSION, THE INSTITUTION HAS RECEIVED NEITHER A REGISTRATION NOR WRITTEN NOTICE OF DEFICIENCIES UNDER THIS SUBSECTION, THE INSTITUTION MAY REQUEST A HEARING WITHIN 20 DAYS BEFORE THE COMMISSION.

(II) WITHIN 60 DAYS AFTER RECEIPT OF THE REQUEST FOR A HEARING UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COMMISSION SHALL HOLD A HEARING TO DETERMINE IF THE REGISTRATION SHOULD BE ISSUED.

(4) AFTER A HEARING HELD UNDER THIS SUBSECTION, THE COMMISSION SHALL RENDER A DECISION WITHIN 30 DAYS.”;

and in line 30, after “section” insert “OR THAT IS DENIED A REGISTRATION AFTER A HEARING GRANTED UNDER SUBSECTION (C-1) OF THIS SECTION”.

AMENDMENT NO. 3

On page 4, strike beginning with “NO” in line 16 down through “STATE” in line 17 and substitute “THE COMMISSION HAS DETERMINED THAT THE PORTION OF THE PROGRAM OFFERED AT A LOCATION IN THE STATE, IF ANY, DOES NOT REQUIRE A CERTIFICATE OF APPROVAL FOR THE INSTITUTION TO OPERATE, DO BUSINESS, OR FUNCTION IN THE STATE”; in line 18, strike “PARAGRAPH (2)” and substitute “PARAGRAPHS (2) AND (3)”; in line 21, after “SHALL” insert “FILE AN APPLICATION TO”; in the same line, strike “6” and substitute “3”; and after line 27, insert:

“(3) (I) NOTWITHSTANDING THE REQUIREMENTS OF § 11-202(C-1) OF THIS SUBTITLE, AN INSTITUTION THAT HAS ENROLLED MARYLAND STUDENTS BEFORE OBTAINING REGISTRATION UNDER THIS SECTION MAY CONTINUE TO OPERATE WITHOUT A REGISTRATION WHILE THE COMMISSION CONSIDERS THE INSTITUTION’S APPLICATION, CONDUCTS A HEARING CONCERNING THE INSTITUTION’S APPLICATION, OR PARTICIPATES IN JUDICIAL REVIEW REGARDING AN INSTITUTION’S APPLICATION.

(II) AN INSTITUTION THAT CONTINUES TO OPERATE WITHOUT A REGISTRATION UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL FURNISH A PERFORMANCE BOND OR OTHER FORM OF FINANCIAL GUARANTEE TO THE STATE IN AN AMOUNT SET BY REGULATION THAT IS IN ADDITION TO AND SEPARATE FROM A PERFORMANCE BOND OR OTHER FORM OF FINANCIAL GUARANTEE REQUIRED UNDER § 11-203 OF THIS SUBTITLE.”.

AMENDMENT NO. 4

On page 6, in line 7, after “(1)” insert “(I)”; in line 9, after “CHARGE” insert “FOR A STUDENT WHO HAS COMPLETED LESS THAN 24 CREDITS OF COLLEGE-LEVEL LEARNING FROM AN ACCREDITED INSTITUTION; AND

(II) A PRORATED REFUND METHODOLOGY THAT PROVIDES A REFUND TO ANY STUDENT NOT COVERED BY ITEM (I) OF THIS PARAGRAPH WHO HAS COMPLETED 60% OR LESS OF A COURSE, TERM, OR PROGRAM WITHIN THE APPLICABLE BILLING PERIOD”;

strike beginning with “ACCOUNTS” in line 10 down through “COMPLETED” in line 11 and substitute “PROVIDES A REFUND TO ANY STUDENT WHO HAS COMPLETED 60% OR LESS OF A COURSE, TERM, OR PROGRAM WITHIN THE APPLICABLE BILLING PERIOD”; in line 15, after “BE” insert “:

(I) A FIXED AMOUNT FOR ALL INSTITUTIONS REGARDLESS OF TYPE, LOCATION, OR STUDENT ENROLLMENT; AND

(II)”;

in the same line, strike “SET” and substitute “SET”; after line 22, insert:

“(G) ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY:

(1) THE NUMBER OF INSTITUTIONS OF POSTSECONDARY EDUCATION THAT APPLY FOR REGISTRATION UNDER THIS SECTION;

- (2) THE TYPE AND SIZE OF THE INSTITUTIONS THAT APPLY;
- (3) THE NUMBER OF INSTITUTIONS APPROVED FOR REGISTRATION;
- (4) THE NUMBER OF INSTITUTIONS DENIED REGISTRATION; AND
- (5) THE NUMBER OF MARYLAND STUDENTS ENROLLED IN INSTITUTIONS REQUIRED TO REGISTER UNDER THIS SECTION.”;

and in line 27, after “guarantee” insert “FOR EITHER THE CERTIFICATE OF APPROVAL OR THE REGISTRATION”.

AMENDMENT NO. 5

On page 7, strike in their entirety lines 33 and 34.

On page 8, strike in their entirety lines 1 through 4, inclusive; and after line 4, insert:

“2. A. AFTER 3 YEARS OF CLAIMS HISTORY DURING WHICH NO CLAIM AGAINST THE FUND HAS BEEN SUSTAINED ON BEHALF OF A STUDENT PARTICIPATING IN A FULLY ONLINE DISTANCE EDUCATION PROGRAM OFFERED IN THE STATE BY AN INSTITUTION REGISTERED UNDER § 11-202.2 OF THIS SUBTITLE, THE COMMISSION SHALL EXEMPT THAT INSTITUTION FROM THE REQUIREMENT TO CONTRIBUTE TO THE FUND.

B. NOTWITHSTANDING SUBSUBPARAGRAPH A OF THIS SUBSUBPARAGRAPH, AN INSTITUTION SHALL BE REQUIRED TO CONTRIBUTE TO THE FUND FOLLOWING A CLAIM AGAINST THE FUND BEING SUSTAINED ON BEHALF OF A STUDENT PARTICIPATING IN A FULLY ONLINE

(Over)

DISTANCE EDUCATION PROGRAM OFFERED IN THE STATE BY THE INSTITUTION.”.

AMENDMENT NO. 6

On page 9, after line 12, insert:

“(E) ON OR BEFORE DECEMBER 1 EACH YEAR, THE COMMISSION SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY, REGARDING:

(1) THE NUMBER OF CLAIMS MADE AGAINST EACH GUARANTY FUND ESTABLISHED UNDER THIS SECTION;

(2) THE TYPE, SIZE, AND PROGRAM OF THE INSTITUTIONS AGAINST WHICH THE CLAIMS ARE MADE;

(3) THE NUMBER OF CLAIMS THAT ARE APPROVED AND THE ASSOCIATED PAYOUTS FROM THE FUNDS; AND

(4) THE NUMBER OF CLAIMS THAT ARE DENIED.”.

AMENDMENT NO. 7

On page 10, strike beginning with the first “THE” in line 29 down through “BOTH” in line 32 and substitute “THE INSTITUTION SHALL BE SUBJECT TO A FINE NOT EXCEEDING \$20,000”.

AMENDMENT NO. 8

On page 12, strike beginning with “AND” in line 3 down through “LEVEL” in line 4; after line 6, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act may be construed to affect the ongoing interpretation of § 11-202 of the Education Article and whether instruction through correspondence, noninteractive learning, credit for prior learning, cooperative education activities, practica, internships, externships, apprenticeships, portfolio review, departmental examinations, or challenge examinations requires a certificate of approval to operate, do business, or function in this State.”;

and in line 7, strike “2.” and substitute “3.”.