

AMENDMENT TO RULES COMMITTEE PRINT 118-

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OFFERED BY MR. AGUILAR OF CALIFORNIA

At the end of subtitle G of title X, insert the following:

1 **SEC. 10___. ADMINISTRATION OF RISK-BASED SURVEYS TO**
2 **CERTAIN EDUCATIONAL INSTITUTIONS.**

3 (a) **DEVELOPMENT REQUIRED.**—The Secretary of
4 Defense, acting through the Voluntary Education Institu-
5 tional Compliance Program of the Department of Defense,
6 shall develop a risk-based survey for oversight of covered
7 educational institutions.

8 (b) **SCOPE.**—

9 (1) **IN GENERAL.**—The scope of the risk-based
10 survey developed under subsection (a) shall be deter-
11 mined by the Secretary.

12 (2) **SPECIFIC ELEMENTS.**—At a minimum the
13 scope determined under paragraph (1) shall include
14 the following:

15 (A) Rapid increase or decrease in enroll-
16 ment.

17 (B) Rapid increase in tuition and fees.

1 (C) Complaints tracked and published
2 from students pursuing programs of education,
3 based on severity or volume of the complaints.

4 (D) Student completion rates.

5 (E) Indicators of financial stability.

6 (F) Review of the advertising and recruit-
7 ing practices of the educational institution, in-
8 cluding those by third-party contractors of the
9 educational institution.

10 (G) Matters for which the Federal Govern-
11 ment or a State Government brings an action
12 in a court of competent jurisdiction against an
13 educational institution, including matters in
14 cases in which the Federal Government or the
15 State comes to a settled agreement on such
16 matters outside of the court.

17 (c) ACTION OR EVENT.—

18 (1) SUSPENSION.—If, pursuant to a risk-based
19 survey under this section, the Secretary determines
20 that an educational institution has experienced an
21 action or event described in paragraph (2), the Sec-
22 retary may suspend the participation of the institu-
23 tion in Department of Defense programs for a pe-
24 riod of two-year, or such other period as the Sec-
25 retary determines appropriate.

1 (2) ACTION OR EVENT DESCRIBED.—An action
2 or event described in this paragraph is any of the
3 following:

4 (A) The receipt by an educational institu-
5 tion of payments under the heightened cash
6 monitoring level 2 payment method pursuant to
7 section 487(c)(1)(B) of the Higher Education
8 Act of 1965 (20 U.S.C. 1094).

9 (B) Punitive action taken by the Attorney
10 General, the Federal Trade Commission, or any
11 other Federal department or agency for mis-
12 conduct or misleading marketing practices that
13 would violate the standards defined by the Sec-
14 retary of Veterans Affairs.

15 (C) Punitive action taken by a State
16 against an educational institution.

17 (D) The loss, or risk of loss, by an edu-
18 cational institution of an accreditation from an
19 accrediting agency or association, including no-
20 tice of probation, suspension, an order to show
21 cause relating to the educational institution's
22 academic policies and practices or to its finan-
23 cial stability, or revocation of accreditation.

1 (E) The placement of an educational insti-
2 tution on provisional certification status by the
3 Secretary of Education.

4 (d) DATABASE.—The Secretary shall establish a
5 searchable database or use an existing system, as the Sec-
6 retary considers appropriate, to serve as a central reposi-
7 tory for information required for or collected during site
8 visits for the risk-based survey developed under subsection
9 (a), so as to improve future oversight of educational insti-
10 tutions.

11 (e) COVERED EDUCATIONAL INSTITUTION.—In this
12 section, the term “covered educational institution” means
13 an educational institution selected by the Secretary based
14 on quantitative, publicly available metrics indicating risk
15 designed to separate low-risk and high-risk institutions,
16 to focus on high-risk institutions.

