AMENDMENT TO RULES COMMITTEE PRINT 118–10

OFFERED BY MR. AGUILAR OF CALIFORNIA

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

SEC. 10. ADMINISTRATION OF RISK-BASED SURVEYS TO CERTAIN EDUCATIONAL INSTITUTIONS.

(a) Development Required.—The Secretary of Defense, acting though the Voluntary Education Institutional Compliance Program of the Department of Defense, shall develop a risk-based survey for oversight of covered educational institutions.

(b) Scope.—

(1) In general.—The scope of the risk-based survey developed under subsection (a) shall be determined by the Secretary.

(2) Specific elements.—At a minimum the scope determined under paragraph (1) shall include the following:

(A) Rapid increase or decrease in enrollment.

(B) Rapid increase in tuition and fees.
(C) Complaints tracked and published from students pursuing programs of education, based on severity or volume of the complaints.

(D) Student completion rates.

(E) Indicators of financial stability.

(F) Review of the advertising and recruiting practices of the educational institution, including those by third-party contractors of the educational institution.

(G) Matters for which the Federal Government or a State Government brings an action in a court of competent jurisdiction against an educational institution, including matters in cases in which the Federal Government or the State comes to a settled agreement on such matters outside of the court.

c) ACTION OR EVENT.—

(1) SUSPENSION.—If, pursuant to a risk-based survey under this section, the Secretary determines that an educational institution has experienced an action or event described in paragraph (2), the Secretary may suspend the participation of the institution in Department of Defense programs for a period of two-year, or such other period as the Secretary determines appropriate.
(2) ACTION OR EVENT DESCRIBED.—An action or event described in this paragraph is any of the following:

(A) The receipt by an educational institution of payments under the heightened cash monitoring level 2 payment method pursuant to section 487(e)(1)(B) of the Higher Education Act of 1965 (20 U.S.C. 1094).

(B) Punitive action taken by the Attorney General, the Federal Trade Commission, or any other Federal department or agency for misconduct or misleading marketing practices that would violate the standards defined by the Secretary of Veterans Affairs.

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

(D) The loss, or risk of loss, by an educational institution of an accreditation from an accrediting agency or association, including notice of probation, suspension, an order to show cause relating to the educational institution’s academic policies and practices or to its financial stability, or revocation of accreditation.
(E) The placement of an educational institution on provisional certification status by the Secretary of Education.

(d) DATABASE.—The Secretary shall establish a searchable database or use an existing system, as the Secretary considers appropriate, to serve as a central repository for information required for or collected during site visits for the risk-based survey developed under subsection (a), so as to improve future oversight of educational institutions.

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