

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

SENATE BILL 363

By: Jech

AS INTRODUCED

An Act relating to higher education; amending 70 O.S. 2021, Section 4103, as amended by Section 1, Chapter 122, O.S.L. 2023 (70 O.S. Supp. 2024, Section 4103), which relates to accreditation of private and certain out-of-state institutions; defining term; requiring certain institutions to be domiciled in certain locations; modifying policies and procedures related to accreditation; updating statutory reference; exempting certain institutions from accreditation; updating statutory language; amending 70 O.S. 2021, Section 4104, as amended by Section 1, Chapter 117, O.S.L. 2024 (70 O.S. Supp. 2024, Section 4104), which relates to degrees granted by private educational institutions; modifying exemption for certain religious degrees; updating statutory reference; providing an effective date; and declaring an emergency.

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

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

Section 4103. A. As used in this section:

1. "Degree-granting institution" means an institution that offers education leading to an associate's degree or higher;

1        2. "Non-degree-granting activity" means offering education or  
2 training that does not lead to an associate's degree or higher; ~~and~~

3        3. "Religious degree-granting institution" means an institution  
4 that is domiciled within the United States or a United States  
5 district or territory; is exempt from taxation pursuant to the  
6 provisions of Section 501(c)(3) of the Internal Revenue Code of  
7 1986, as amended, 26 U.S.C., Section 501(c)(3); and offers education  
8 leading to an associate's degree or higher where the purpose,  
9 content, and name of all degrees offered by the institution meet the  
10 criteria set forth in paragraphs 1 and 2 of subsection B of Section  
11 4104 of this title. By offering any degrees not meeting the  
12 criteria set forth in paragraphs 1 and 2 of subsection B of Section  
13 4104 of this title, an institution fails to meet the definition of a  
14 religious degree-granting institution and remains subject to the  
15 requirements for degree-granting institutions in subsection B of  
16 this section as to those degrees; and

17        4. "State authorization reciprocity agreement" means an  
18 agreement among states, districts, and territories that establishes  
19 comparable standards for providing distance education from their  
20 postsecondary educational institutions to out-of-state students.

21        B. All private and out-of-state public degree-granting  
22 institutions shall be accredited by an accrediting agency which is  
23 recognized by the Secretary of the United States Department of  
24 Education as a reliable authority as to the quality of education or

1 training offered by institutions of higher education for the  
2 purposes of the Higher Education Act of 1965, as amended, and be  
3 domiciled within the United States or a United States district or  
4 territory. Additionally, for the purposes of consumer protection  
5 and to maintain financial eligibility for Title IV funding as  
6 described in 34 CFR Part 600, institutions shall be authorized  
7 according to the policies and procedures established by the Oklahoma  
8 State Regents for Higher Education. These policies and procedures  
9 shall be limited to ~~the minimum~~ those necessary to ensure that  
10 private and out-of-state degree-granting institutions that operate  
11 in this state by any modality meet the same standards and outcomes  
12 of academic quality, student consumer protection, and fiscal  
13 responsibility required for comparable institutions of higher  
14 education within The Oklahoma State System of Higher Education.

15 Beginning with the 2023-2024 academic year, the State Regents shall:

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

18 2. Require applicants for authorization to submit payment in an  
19 amount established by the State Regents into the Tuition Recovery  
20 Revolving Fund created in ~~Section 2~~ Section 4103.1 of this ~~act~~  
21 title, which shall be used to offset student tuition losses in the  
22 event an authorized institution closes or ceases operations; and

23 3. Be authorized to deny, not renew, or revoke an institution's  
24 authorization if it is found to be in violation of the Oklahoma

1 statutes, it fails to meet the minimum authorization standards  
2 established by the State Regents, or an accrediting agency or other  
3 government entity revokes its approval, which is material to the  
4 continuity of the institution. An institution subject to the  
5 provisions of this paragraph shall be given reasonable notice and an  
6 opportunity to be heard prior to a decision to deny, not renew, or  
7 revoke authorization.

8 C. The following institutions shall be exempt from this  
9 section:

10 1. Private institutions participating in the Oklahoma Tuition  
11 Equalization Grant program; ~~and~~

12 2. Out-of-state public and private institutions participating  
13 in a state authorization reciprocity agreement that only conduct  
14 activities in Oklahoma that are acceptable under the terms and  
15 conditions of the state authorization reciprocity agreement;

16 3. Religious degree-granting institutions; and

17 4. Degree-granting institutions offering in this state only  
18 degrees meeting the criteria set forth in paragraphs 1 and 2 of  
19 subsection B of Section 4104 of this title for the offering of  
20 religious degrees. This exemption shall not apply to any degree  
21 programs not meeting the criteria for religious degrees set forth in  
22 paragraphs 1 and 2 of subsection B of Section 4104 of this title.

23 D. Non-exempt institutions exclusively engaged in ~~non-degree~~  
24 ~~granting~~ non-degree-granting activities, such as offering

1 certificates and diplomas, shall be subject to the standards  
2 administered by the Oklahoma Board of Private Vocational Schools.

3 E. The State Regents shall promulgate rules to implement the  
4 provisions of this section.

5 SECTION 2. AMENDATORY 70 O.S. 2021, Section 4104, as  
6 amended by Section 1, Chapter 117, O.S.L. 2024 (70 O.S. Supp. 2024,  
7 Section 4104), is amended to read as follows:

8 Section 4104. A. A private educational institution shall grant  
9 only those degrees authorized by the Oklahoma State Regents for  
10 Higher Education unless approved otherwise by a national or regional  
11 accrediting agency which is recognized by the Secretary of the  
12 United States Department of Education as a reliable authority as to  
13 the quality of education or training offered by institutions of  
14 higher education for the purposes of the Higher Education Act of  
15 1965, as amended.

16 B. 1. This section shall not apply to religious degrees which  
17 are used solely for religious purposes within a religious  
18 organization or any institution of higher education whose ~~primary~~  
19 sole purpose is to provide religious training or theological  
20 education and which is exempt from taxation pursuant to the  
21 provisions of Section 501(c)(3) of the Internal Revenue Code of  
22 1986, as amended, 26 U.S.C., Section 501(c)(3).

23 2. Each degree title offered pursuant to this subsection shall  
24 include a religious modifier. The religious modifier shall be

1 placed on the degree, on the transcript, and wherever the title of  
2 the degree appears in official school documents or publications.

3 SECTION 3. This act shall become effective July 1, 2025.

4 SECTION 4. It being immediately necessary for the preservation  
5 of the public peace, health, or safety, an emergency is hereby  
6 declared to exist, by reason whereof this act shall take effect and  
7 be in full force from and after its passage and approval.

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9 60-1-1057 EB 1/6/2025 8:52:41 AM