February 6, 2018

Secretary Betsy DeVos
U.S. Department of Education
400 Maryland Avenue SW
Washington, D.C. 20202

Dear Secretary DeVos,

As you may be aware, the state authorization regulations finalized by the Department of Education on December 19, 2016 are set to go into effect starting July 1, 2018. As that deadline approaches, a number of institutions have raised concerns about possible unintended consequence with the possibility of significant harm to students.

In brief, the regulations appear to make students who are residents of certain states ineligible for federal financial aid if they are studying online at institutions located outside their states. This is related to the requirement imposed by the state authorization regulations that mandates institutions disclose to students the appropriate state complaint process for their state of residence.

A number of states, including California, do not currently have complaint processes for all out-of-state institutions. This would appear to effectively bar some of their residents from receiving federal financial aid if they choose to study online at institutions located outside their states.

As colleges and universities are currently in the process of finalizing enrollments and aid packages for the fall semester (after the effective date of the regulations), we write you in hope that you can clarify the Department’s position on the eligibility of students so situated.

Thank you for considering this request.

Sincerely,

Terry W. Hartle
Senior Vice President