



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF POSTSECONDARY EDUCATION

THE ASSISTANT SECRETARY

January 23, 2013

GEN-13-04

SUBJECT: State Authorization Regulations Effective Date Extension – Final Year

SUMMARY: This letter reminds postsecondary institutions and States that postsecondary institutions are required to have certain types of State oversight and approvals in order to participate in the Title IV Federal Student Aid programs and explains that the enforcement of these state authorization requirements for institutions was previously stayed to July 1, 2013. After that date, postsecondary institutions that are not compliant with the state authorization regulations under 34 CFR 600.9(a) and (b) may lose their eligibility to participate in Title IV Federal Student Aid programs.

Dear Colleague:

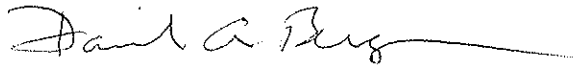
On July 1, 2011, new minimum requirements went into effect concerning State oversight and approvals for postsecondary institutions. On August 22, 2011, we published an electronic announcement that described the steps a postsecondary institution could follow to obtain a one-year extension of the effective date of the regulations at 34 CFR 600.9(a) and (b), which set forth the requirements for an institution of higher education, a proprietary institution of higher education, and a postsecondary vocational institution to be considered legally authorized by a State. As noted in the preamble to the program integrity final regulations that were published on October 29, 2010, while the Secretary had designated §600.9(a) and (b) as being effective July 1, 2011, a State may have been unable to provide the appropriate State authorizations to its institutions by that date. The final regulations provided that institutions unable to obtain State authorization could receive a one-year stay of the enforcement of the regulations to July 1, 2012, and if necessary, an additional one-year extension to July 1, 2013.

This Dear Colleague Letter (DCL) serves as a reminder that the final year of the stay of the enforcement of the State authorization regulations is currently underway and ends June 30, 2013. We are providing this reminder to encourage States to work with their postsecondary institutions to have acceptable procedures in place to meet the Department's oversight and approval requirements. In order to be eligible to participate in Title IV Federal Student Aid (FSA) programs, an institution must be legally authorized by a State to provide a postsecondary education program, and the State must have a process to review and act upon complaints about that institution. Please note that States may have different types of approvals and authorizations for different types of institutions, so long as the State authorization for each type of institution meets the requirements in the regulations. An institution that cannot meet these regulatory requirements may lose its eligibility to participate in Title IV FSA programs, which means that students at that institution would be unable to receive Federal student aid. Accordingly, States

and postsecondary institutions that have not yet done so should work together to ensure compliance with the regulatory requirements at 34 CFR 600.9(a) and (b) by July 1, 2013.

If you believe that some institutions within your State may have difficulty complying with these regulatory requirements by June 30, 2013, please contact Sophia McArdle at (202) 219-7078 or by e-mail at sophia.mcardle@ed.gov no later than 30 days from the publication date of this DCL with a description of the issue and your plan for meeting the regulatory requirements.

Sincerely,

A handwritten signature in black ink that reads "David A. Bergeron". The signature is fluid and cursive, with a long horizontal line extending to the right.

David A. Bergeron
Acting Assistant Secretary