



National Council for State Authorization Reciprocity Agreements
President/CEO and Board of Directors
3005 Center Green Drive Suite 130
Boulder, Colorado 80301

July 26, 2021

Re: Call for Policy Proposals

Dear President Williams and Members of the Board:

As organizations with a shared goal of ensuring that higher education students have access to high quality education that does not leave them with worthless degrees and unaffordable debt, whether they enroll in brick-and-mortar programs or in online education programs, we appreciate the call for proposals to modify NC-SARA policy. NC-SARA's position affords it important opportunities to ensure policies exist to protect students from being harmed.

We believe that NC-SARA has structural and substantive deficiencies that require immediate action. These deficiencies will require significant policy modifications and restructuring efforts, primarily focused on student needs and interests. Below we have detailed several areas in which NC-SARA needs to undertake substantive overhaul.

I. NC-SARA must take steps to restructure the organizational governance to ensure that representatives of state regulators and law enforcement are the primary decision- and policymakers.

The current governance structure for NC-SARA has several fatal flaws. First, the board of directors which governs NC-SARA is not representative of the relevant stakeholders. In fact, the NC-SARA board currently has more seats filled by college and university representatives than by representatives of state regulators – and with no representation of state attorneys general – giving the regulated entities themselves a larger role than states in crafting and approving new regulations.¹ This counterintuitive design removes decision-making authority almost entirely from the entities charged with the responsibility of state authorization in the first place – state governments – and results in an overall reduction in state autonomy and authority.

¹ “NC-SARA Board Members.” NC-SARA. Available at: <https://nc-sara.org/national-council-board>.

Second, it is unclear that, as structured, NC-SARA satisfies the requirements of a State Authorization Reciprocity Agreement (SARA) as defined in the federal state authorization rule. That regulation defines a reciprocity agreement as “an agreement between two or more states.”² However, the foundation of NC-SARA is not “an agreement between two or more states,” and instead is created by a series of agreements between various parties. First there is an agreement between an individual state and its regional compact, then there is an agreement between the regional compacts and NC-SARA. NC-SARA “exists to coordinate the SARA work of the regional compacts,”³ leaving the compacts to assume the role of middle managers, collecting sizeable fees in return for the responsibility of managing the agreements and acting as a buffer between states and NC-SARA. At no point in this structure do two states enter into an agreement with one another. Not only does this structure fail to meet the requirement established in the state authorization rule for an “agreement between two or more states,” but it also results in stripping states of decision-making authority over the agreement.

We have previously recommended that, at a minimum, NC-SARA create four additional board positions; two for state attorneys general, and two for consumer and student advocates and representatives. This inclusion would bring fresh perspectives to the board, bring crucial expertise regarding consumer and student protection and law enforcement in higher education, and ensure that law enforcement and student-focused voices are part of the discussion. Our proposal was unfortunately rejected by NC-SARA leadership, as were several highly qualified applicants. Given the profoundly unbalanced nature of NC-SARA’s system of governance and NC-SARA’s apparent unwillingness to include these voices on its board, we now believe more extensive modifications are needed to its governance. We therefore recommend that (1) the regional compacts be removed from NC-SARA’s governance structure, (2) that the reciprocity agreement be redrafted, in collaboration with consumer and student advocates and state attorneys general, with state rights and student needs as the primary focus, and (3) that all member states have seats on the governing board, including state attorneys general and regulators, and that states control the governance of the agreement and its policies.

II. NC-SARA should comply with the same level of transparency required of other public regulatory agencies.

Federal regulatory agencies are required to comply with the Administrative Procedures Act (APA),⁴ and every state has a version of the APA that governs the practices of state regulatory

² 34 CFR § 600.9 - State authorization.

³ “Unified State Authorization Reciprocity Agreement” (Dec. 1, 2015). NC-SARA. Available at: https://nc-sara.org/sites/default/files/files/2019-07/UNIFIED_SARA_AGREEMENT_2015-FINAL_Approved_120115.pdf.

⁴ P.L.79-404 60 Stat. 237 (1946).

entities.⁵ These laws were designed to ensure public transparency about state agency organization, procedures, and rules; to allow for public participation in the rulemaking process; and to establish uniform standards for the conduct of formal rulemaking and adjudication. Often referred to as “sunshine laws,” provisions of the APA and its state counterparts mandate that meetings, records, votes, deliberations, and other official actions be available for public observation, participation, and inspection. Further, regulatory agencies are also subject to the Freedom of Information Act (FOIA) or state Public Records Acts (PRA) that require making documentation available for public review upon request.

NC-SARA's decision-making processes, however, are not public. The public, advocates, and stakeholders cannot participate in, or even observe, most of the NC-SARA board's decision making process. The public portion of board meetings is brief and perfunctory with little or no substantive discussion. NC-SARA appears to give little or no weight to the input of student or consumer organizations or state attorneys general. Indeed, staff dismissed consumer and student advocates' concerns as “not substantive” during the May 2021 board meeting, and refused to mention that concerns were in fact raised when asked.

In addition, the public has access to all the comments submitted to regulatory agencies regarding any proposed regulations, as well as all communications between the agency and any member of the public regarding those proposals. This helps all stakeholders to understand the underlying perceived need for the proposal, who made the proposal(s), and how to propose modifications that can address the interests of all stakeholders. This also helps to ensure that public agencies avoid conflicts of interest and fairly consider the interests of all stakeholders.

NC-SARA leadership has at times referred to the organization as a “pseudo-regulatory agency,” recognizing that it plays a substantively similar role to other regulatory agencies within the higher education triad. NC-SARA is not legally obligated to comply with the same disclosure and transparency requirements. However, given the organization's recognition that it serves a public regulatory function, NC-SARA should voluntarily adopt the same procedure and disclosure policies that apply to all other higher education regulatory agencies. This openness is essential to promote ethical standards, prevent fraud and corruption, and engender greater public trust.

We therefore recommend that NC-SARA undertake an effort to adopt transparency requirements that are substantively similar to other higher education regulatory agencies, including an open rulemaking process, an open records policy, and open meetings with the opportunity for public comment.

⁵ Susan Webb Yackee (2019). "The Politics of Rulemaking in the United States". Annual Review of Political Science. Available at: <https://www.annualreviews.org/doi/abs/10.1146/annurev-polisci-050817-092302>.

III. States must retain the authority to enforce state-specific consumer protection laws.

States have been primarily charged with protecting consumers within the higher education triad by deciding whether to authorize institutions to enroll students within the state. To carry this out, state legislators and regulators create laws and regulations that establish the criteria for higher education institutions to operate within a state. States have a wide variety of consumer protections for higher education students, and many have protections specifically applicable to private institutions. These laws include minimum standards such as minimum completion placement and licensure rates, minimum number of credit hours for degrees or certificates, etc.; quality measures such as financial responsibility, instructor qualifications, library requirements, equipment quality, etc.; and numerous other consumer protection powers including the power to execute subpoenas, perform audits, and perform unannounced inspections, adjudicate student complaints and order refunds students, condition and revoke approval and limit enrollments, and require reporting of student outcomes, revenues, and contracts with third parties, etc.⁶

NC-SARA often asserts that creating and enforcing those rules are the responsibility of the states themselves; that if states want stronger consumer protections they can and should create them.⁷ However, NC-SARA policy actually limits states from enforcing higher education specific laws against NC-SARA member-institutions headquartered in other states. While the NC-SARA manual states that “SARA Member States continue to have authority to enforce all their general-purpose laws against non-domestic out-of-state Institutions (including SARA-participating Institutions)...” it further clarifies that a “general-purpose law” is one that applies to *all entities* doing business of any type in the state, and not laws that apply to institutions of higher education.⁸ In other words, if a state is a member of the NC-SARA agreement, stronger state-level consumer protections specific to institutions of higher education can only be enforced

⁶ Additional examples of state consumer protections include (1) student rights (refund rights, cancellation rights); (2) affirmative requirements (disclosures, contents of enrollment agreements, notices, language of important documents when student does not speak English, etc.); (3) prohibitions targeted at recruiting practices that private institutions commonly engage in (enrolling student in program that does not qualify student for licensure when that is required by student’s state, falsely implying government affiliation, promising employment, use of common misrepresentations, failing to offer or place student in internships as represented; solicitation with help wanted ads, etc.); (4) student tuition recovery funds and/or bonds for student relief, including for students impacted by school closure, nonpayment of an attorney general or private judgment or arbitration award against a school, discontinuance of a program, failure to pay a required refund, and other circumstances; (5) loan related requirements when school is involved in arranging or making private loans; (6) licensure requirements for recruiters; (7) liability provisions, including private causes of action and/or criminal penalties for some violations; (8) limitations on who may own and operate a school; (9) pre-approval requirements for substantive changes, including change in ownership, control, home state, name, merging of programs, establishment of new programs, etc.; (10) record retention requirements; and (11) orderly closure requirements.

⁷ Lori Williams and Robert Anderson (July 20, 2020). “States and Quality Assurance in Online Education.” Inside Higher Ed. Available at: <https://www.insidehighered.com/views/2020/07/20/covid-surge-distance-learning-demands-renewed-focus-quality-assurance-opinion>.

⁸ NC-SARA (May 28, 2021). “State Authorization Reciprocity Agreements Policy Manual,” p. 25. Available at: https://nc-sara.org/sites/default/files/files/2021-05/SARA_Policy_Manual_21.1.pdf.

against schools headquartered within the state. NC-SARA member institutions doing business in the state but headquartered outside are beyond their authority.

Further, NC-SARA has stated multiple times that, because many states do not have rules governing out-of-state distance education, the organization represents an overall improvement in oversight.⁹ However, reducing the level of oversight does not, and cannot, increase accountability for bad actors. NC-SARA represents a regulatory ceiling, limiting states' authority to regulate out-of-state institutions, and although NC-SARA did create regulatory measures for online institutions at a time when many states had none, the agreement's policies have a dampening effect limiting states from creating better regulations or policy that evolves with the times to protect students. Rather than expressing "concerns" about state legislative proposals aimed at preventing abusive behavior against students – as NC-SARA did in response to Maryland lawmakers' proposal to close the well-known "90/10" loophole at the state level – NC-SARA should embrace such proposals. Such efforts both promote high-quality education and provide an opportunity for NC-SARA to evaluate whether it should raise its own standards.¹⁰

Reciprocity need not be an all-or-nothing proposal; many interstate agreements permit states to retain the ability to enforce state laws even as they allow for reciprocal recognition of licensure.¹¹ States may determine, for example, that they are willing to waive certain data reporting requirements on the condition that an agreed upon level of information is collected by the institution's state and made available to be utilized in potential enforcement actions by students' states. States may also generally be willing to accept another state's approval of an institution but want to retain the ability to limit enrollment if they determine the institution presents a risk to students. Ultimately, states must be empowered to take the actions they deem necessary to protect the students within their borders, even as members of a reciprocity agreement.

We therefore recommend that NC-SARA undertake a new rulemaking process that includes all states - both regulators and attorneys general - and consumer advocates to determine which categories and/or specific state-level higher education laws are appropriate to waive, and which must be retained in order to protect students.

⁹ Lori Williams (Sept. 8, 2020). "How Do We Protect Online College Students as Consumers?" SHEEO. Available at: <https://sheeoed.medium.com/how-do-we-protect-online-college-students-as-consumers-874322f66ce5>.

¹⁰ Jeremy Bauer-Wolf (March 18, 2020). "Maryland could be the first state to close a loophole on federal aid to for-profit colleges." Education Dive. Available at: <https://www.educationdive.com/news/maryland-could-be-the-first-state-to-close-a-loophole-on-federal-aid-to-for/574519/>

¹¹ For example, the Drivers License Compact is an interstate compact used by 46 states and the District of Columbia to exchange information concerning license suspensions and traffic violations of non-residents and forward them to the state where the driver is licensed (the "home state"). The compact creates reciprocal approval for licensure decisions, and also allows member states to enforce their own state laws relating to non-moving violations like parking tickets, tinted windows, loud exhaust, etc., but for more serious offences the home state treats the offense as if it had been committed at home, applying home state laws to the out-of-state offense and ensuring action is taken against bad actors. *See*: "Driver License Compact." National Center for Interstate Compacts. Available at: <http://apps.csg.org/ncic/Compact.aspx?id=56>.

IV. NC-SARA should create strong, uniform minimum standards of consumer protection that apply to all participating institutions.

As NC-SARA has pointed out, the higher education regulatory landscape is somewhat of a patchwork. Some states have robust oversight and consumer protections and others have weaker regimes.¹² NC-SARA, however, has *no* substantive or proactive consumer protection requirements beyond those in federal regulations.¹³ In fact, NC-SARA leadership has repeatedly argued that it would be inappropriate for them to create a higher bar than the one established by federal regulation. Although the C-RAC Guidelines – both those currently recognized in the NC-SARA manual¹⁴ and the newly updated draft commissioned by NC-SARA¹⁵ – do present some vague ideals about protecting higher education consumers, the guidelines are neither measurable nor readily enforceable, and completely insufficient to consistently and rigorously protect consumers.

Historically, students have faced greater risk of predatory behavior from for-profit institutions than from nonprofit or public colleges. As a result, federal financial aid laws¹⁶ and many states' consumer protection laws¹⁷ distinguish between sectors by creating additional protections for students attending for-profit institutions. In recent years, and particularly in the wake of the COVID-19 pandemic, it is becoming harder to draw bright lines between the sectors. Distinctions have become corrupted as nonprofit and public institutions increasingly contract with for-profit program operators¹⁸ or acquire for-profit institutions outright to expand their online reach.¹⁹ Although these lines are being corrupted, it is clear that institutions or programs which turn a profit for their operators still present more of a threat to students.²⁰ The federal government itself has recognized this distinction in the Higher Education Act for decades, as have many states. Unfortunately, NC-SARA does not currently recognize any distinction

¹²NC-SARA (2021). “2021 Annual Report,” p. 15. Available at: https://nc-sara.org/sites/default/files/files/2021-07/NCSARA_AnnualReport.July2021.Final_.pdf.

¹³ The one exception being the requirement to make “every reasonable effort” to determine licensing.

¹⁴ NC-SARA (May 28, 2021). “State Authorization Reciprocity Agreements Policy Manual,” p. 47. Available at: https://nc-sara.org/sites/default/files/files/2021-05/SARA_Policy_Manual_21.1.pdf.

¹⁵ NC-SARA (June 1, 2021). “UPDATED Information and FAQs about the 21st Century Distance Education Guidelines.” Available at: https://nc-sara.org/sites/default/files/files/2021-05/21st_Century_Distance_Ed_Guidelines_Information_from_NC-SARA_Update_6.1.2021.pdf.

¹⁶ “Proprietary School 90/10 Revenue Percentages.” Federal Student Aid. Available at: <https://studentaid.gov/data-center/school/proprietary>.

¹⁷ “Failing U: Do State Laws Protect Our Veterans and Other Students From for-profit Postsecondary Predators?” (Jan. 2018). Children’s Advocacy Institute.” Available at: http://www.caichildlaw.org/Misc/Failing_U.pdf.

¹⁸ Stephanie Hall and Tacla Dudley (Sept. 12, 2019). “Dear Colleges: Take Control of Your Online Courses.” The Century Foundation. Available at: <https://tcf.org/content/report/dear-colleges-take-control-online-courses/>.

¹⁹ Lindsay McKenzie (Aug. 4, 2020). “University of Arizona’s Big Online Push.” Inside Higher Ed. Available at: <https://www.insidehighered.com/news/2020/08/04/university-arizona-acquires-ashford-university>.

²⁰ April 20, 2021 Testimony of Yan Cao to US House Education & Labor Committee, “Insiders Win and Students Lose When For-Profit Colleges Convert to Nonprofit,” The Century Foundation.

between higher education sectors, and treats all institutions the same, no matter the institution's business model or the degree to which a program has been outsourced to a for-profit third party.

Additionally, NC-SARA policy acts to create downward pressure on states that might otherwise create stronger consumer protections. By design, NC-SARA only allows states to craft protections for schools headquartered within their borders. Thus, a state seeking to implement stronger standards creates a competitive disadvantage for its in-state institutions, subjecting them to higher standards than those faced by institutions operating online from out-of-state. Moreover, if states do try to raise standards, there are no safeguards in NC-SARA policy to prevent predatory institutions from evading the oversight by simply moving their headquarters to a state with lower standards and continuing to enroll students online. Thus, NC-SARA actually exacerbates and solidifies the state-level patchwork, and disincentivizes states from creating and maintaining tougher consumer protection standards.

Given the risk to students, increased exponentially by the distance and anonymity of online programs, it is imperative that NC-SARA undertake an effort to create strong, clear, and enforceable consumer protections that apply to all students attending institutions covered by the agreement. NC-SARA should also create policy to ensure that nonprofit and public institutions are not inappropriately delegating authority to third party for-profit Online Program Managers, and require member institutions to publicly disclose their contractual arrangements regarding online programs. The current proposal to adopt the updated C-RAC guidelines is insufficient to meet students' needs. Instead, we recommend that NC-SARA work with state attorneys general, other state regulators, and student and consumer groups to craft a proposal that is sufficient to ensure NC-SARA only facilitates access to the highest quality and value in online education. Please see our separate comments specifically discussing the C-RAC Guidelines for more information.

V. There should be sufficient minimum eligibility requirements for participating in NC-SARA, both for institutions and for states, as well as accountability for failing to meet those requirements.

In order to provide states with the confidence that problematic schools outside their borders are being monitored with sufficient safeguards, all institutions participating in a reciprocity agreement must be held to a minimum set of standards, and all states must commit to rigorously enforcing those standards. Advocates' previous recommendations have emphasized that, given the reduced oversight member institutions are subject to, NC-SARA should strengthen and improve the requirements for institutional membership to ensure that the risk to students is

reduced.²¹ Further, advocates have stressed that *any* breach of NC-SARA policies should be sufficient to trigger a provisional status review, and that there should be a uniform set of monitoring requirements and restrictions that institutions on provisional status and those with other red flags for student risk²² should be subject to.

Unfortunately, the requirements for institutions to join NC-SARA are minimal and currently insufficient to justify that confidence. Further, as discussed above, NC-SARA actually creates downward pressure on states, disincentivizing the creation and enforcement of strong consumer protection standards. As a result, the current system creates a too-low bar for institutional membership and creates incentives for keeping that bar low and/or not enforcing it.

There are few eligibility requirements for states seeking to join NC-SARA: (1) The state must be a member of one of the four interstate regional compacts that administer NC-SARA or must have concluded an affiliation agreement with such a compact covering NC-SARA activity, and (2) the state agency or entity responsible for joining NC-SARA must have the legal authority under state law to enter into an interstate agreement that covers all of the elements of NC-SARA.²³ There are no requirements relating to capacity, staffing, or funding for these agencies. And unsurprisingly, discussions with representatives at State Portal Entities (SPE) nationwide have revealed that many regulators feel they lack the capacity to carry out the responsibilities delegated to them, including and especially the requirements for NC-SARA membership. In fact, some states lack any funding to support the work they are obligated to do under the NC-SARA agreement.²⁴ Unfortunately, outreach to SPEs has also uncovered several examples of states seemingly misinterpreting NC-SARA policy or failing to enforce it altogether. However, there are seemingly no consequences or recourse when a state fails to fulfil its NC-SARA obligations. Although the four regional compacts have been charged with the responsibility of ensuring that

²¹ TICAS, TCF, NCLC, New America, and VES (April 28, 2020). “Proposed NC-SARA Manual Modification Comments.” Available at: <https://ticas.org/wp-content/uploads/2020/04/Comments-to-NC-SARA-Board-for-May-2020-Meeting.pdf>.

²² For example, California requires online institutions to report a variety of red flags, including if the institution had been subject to any education, consumer protection, unfair business practice, fraud, or related enforcement action by a state or federal agency within five years prior to submitting the registration; whether or not the institution is currently on probation, show cause, or subject to other adverse action, or the equivalent thereof, by its accreditor or has had its accreditation revoked or suspended within the five years prior to submitting the registration; and if the institution had its authorization or approval revoked or suspended by a state or by the federal government, or, within five years before submission of the registration, was subject to an enforcement action by a state or by the federal government that resulted in the imposition of limits on enrollment or student aid, or is subject to such an action that is not final and that was ongoing at the time of submission of the registration, among other things. See Assembly Bill 1344 (2019). California State Legislature. Available at: https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201920200AB1344.

²³ NC-SARA (May 28, 2021). “State Authorization Reciprocity Agreements Policy Manual,” p. 20. Available at: https://nc-sara.org/sites/default/files/files/2021-05/SARA_Policy_Manual_21.1.pdf.

²⁴ NC-SARA (2021). “State Fees for In-State Institutions.” Available at: <https://nc-sara.org/state-fees-state-institutions>.

states are fulfilling their obligations, evidence indicates that misinterpretations and incorrect enforcement have gone unnoticed.²⁵

We therefore recommend that NC-SARA undertake a rulemaking process including all states – both regulators and attorneys general – and consumer advocates to create sufficient minimum requirements for both state and institutional members of the agreement, which safeguard against the downward pressure states experience while also creating accountability for all members of the agreement. When states or institutions fail to meet these minimum expectations there must be meaningful consequences to ensure the trust in the agreement is well-founded.

VI. Institutionally reported data and complaint data should be transparently shared, allowing all member-states to utilize and evaluate the information.

Federal and state regulators require institutions to report a great deal of information pertaining to their educational programs and the students that enroll in them, such as graduation rates, total costs of attendance, and enrollment demographics. States use this data to evaluate the institutions and determine if they should qualify for state authorization. Some of this data is commonly made available to the public to inform their school choice decision-making. Unfortunately, by reducing state oversight of online programs and making institutions subject to only one state’s oversight, NC-SARA removes other states’ authority to collect this data, essentially blinding them to potential risks to students. It also removes states’ ability to publicly share this data in an easy and transparent manner. The attorneys general of 15 states plus the District of Columbia noted this dynamic, expressing concern that NC-SARA’s terms restricted students’ access “to information about programs and to refunds and other state-level protections,” and states’ “ability to bring enforcement actions against predatory for-profit schools offering online programs in their states.”²⁶

NC-SARA complaint data is also not transparent. Complaints serve a dual purpose: They allow students to address concerns and seek resolution to issues relating to their education, and they allow regulators and law enforcement to identify patterns of predatory or misleading practices at institutions. NC-SARA policies thwart this dual purpose. They require students to file complaints with their school first, and only permit students to appeal to the institution’s state if they are unable to reach a resolution with the institution. NC-SARA provides no guidance about how student complaints should be resolved by the institution’s state, nor a requirement that the student’s state have any influence over the resolution. NC-SARA’s current design lacks the

²⁵ WICHE (May 18, 2021). “Update on W-SARA State Renewal Issue and W-SARA Staff Processes.” Western Interstate Commission for Higher Education Commission Meeting, p. 105. Available at: <https://www.wiche.edu/wp-content/uploads/2021/05/0521AgendaBookForWeb.pdf>.

²⁶ State of New York Office of the Attorney General (June 11, 2018). Letter to U.S. Secretary of Education Elisabeth DeVos. Available at: https://ag.ny.gov/sites/default/files/state_authorization_rule_comments_for_submission.pdf.

feedback loop that complaint systems are supposed to create to inform states of potential consumer protection issues. Instead, NC-SARA's design leaves students unprotected, without sufficient opportunities to raise legitimate issues with state the agencies most invested in protecting them.

We therefore recommend that NC-SARA undertake a new rulemaking process that includes all states - both regulators and attorneys general - and consumer advocates to (1) determine the appropriate level of required data collection, (2) create a central, transparent repository for institutional data, and (3) design a new complaint process. It is important that states be able to collaboratively determine minimum data reporting requirements, and it is equally important that the data be made available for use in enforcement actions pursued by any state where an institution operates. Further, NC-SARA should design a new complaint process that is easy for students to understand and navigate, and which encourages collaboration among states, and assists in identifying problematic patterns of institutional behavior. Students must be free to file complaints in either the student's state or the institution's state, wherever it is most convenient for them, without having to first file a complaint with the institution. States must then commit to work collaboratively to investigate and resolve complaints, and complaint data and investigative results must be collected and made publicly transparent at every level.

VII. NC-SARA should prohibit institutions from including mandatory arbitration agreements in their enrollment agreements.

NC-SARA is uniquely positioned to prohibit the use of mandatory arbitration clauses in member school enrollment agreements. Mandatory arbitration clauses have been widely and long used by for-profit schools, including some of the largest institutions within NC-SARA, to limit students' recourse if they are harmed by their school.²⁷ These clauses make it very difficult for students to be made whole when defrauded or misled by an institution. They also keep school misconduct out of the public eye, prohibiting future students from fully understanding the dangers of enrolling in the institution. As an independent organization rather than a state compact, NC-SARA could legally prohibit mandatory arbitration clauses outright for member institutions without violating the Federal Arbitration Act.

We therefore recommend that NC-SARA clearly prohibit member institutions from including mandatory arbitration agreements in their enrollment agreements.

We appreciate the opportunity to offer these comments. They are provided in good faith and are intended to strengthen and enhance NC-SARA's status as a credible oversight authority, a

²⁷ Robert Weissman and Julie Murray (Feb. 24, 2016). "Citizen Petition to the U.S. Department of Education on Title IV Arbitration Clauses." Available at: <https://www.citizen.org/sites/default/files/citizen-petition-to-ed-title-iv-arbitration-clauses.pdf>.

position that would be at risk if waste, fraud, and abuse proliferate at a time when distance education is becoming more ubiquitous and more broadly adopted. We would welcome opportunities to discuss the above recommendations at your convenience.

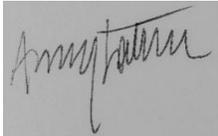
Sincerely,



Stephanie Hall
Fellow
The Century Foundation



Robyn Smith
Of Counsel
National Consumer Law Center



Amy Laitinen
Director for Higher Education
New America Education Policy Program



Carrie Wofford
President
Veterans Education Success



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