



COLORADO
Department of
Higher Education

Please support SB 18-177, a Department Legislative Agenda Item

- Increasing the Department's ability to deal with unexpected private occupational school closures. -
Bill Sponsors: Senators Priola and Todd, Representative Sias and Bridges

SB 18-177 is part of the Department of Higher Education's legislative agenda for 2018 and would expand the permissible uses for surety bonds to more effectively deal with closures of private degree granting and occupational schools. By expanding the use of surety bonds held by schools to include administrative and related costs, this bill will ensure more timely and efficient collection of student records for safekeeping.

Specifically, the bill would (1) allow the department to make a claim on a surety bond for administrative costs associated with a school closure and (2) clarify that the closed school's records may be maintained by the division electronically.

Why is This Fix Needed?

Private occupational schools and certain private degree granting schools are required to provide a surety bond to protect students in the case of closure. In this scenario, the department has the ability to make a claim on the bond in order to provide refunds to students who suffer a loss of tuition. In the case of an unexpected closure, the department often must expend significant administrative funds to hurriedly obtain, transfer and temporarily house records. These costs drive up operating expenses that are currently recovered from all schools via fees. This bill will allow us to more effectively protect students without passing the costs on to other schools.

The Department of Higher Education **urges your support for HB 18-177.**



For more information, please contact Tyler Mounsey, Legislative Liaison for the Colorado Department of Higher Education, at (202) 270-8607 or Tyler.Mounsey@dhe.state.co.us

