
MARYLAND

FINAL GRADING ANALYSIS

OVERALL SCORE: **407/700 POINTS (58.2%)**
LETTER GRADE: **F**

I. OVERSIGHT BODY: **75/100 POINTS**

A. IS THERE A STATUTORILY CREATED OVERSIGHT BODY
THAT IS PUBLICLY ACCOUNTABLE?
45/60 POINTS

Element	Points	Points Awarded
1. Oversight body is a multi-member board, commission, or panel created by statute	10	10
2. Oversight body was statutorily created specifically to oversee private postsecondary institutions	10	0
3. Multi-member board, commission, or panel is the ultimate decision maker (as opposed to a single person, like the head of a department or director)	10	10
4. Oversight body can engage in rulemaking	10	10
5. Oversight body's meetings must be open to the public	5	5
6. Oversight body's meetings must allow public comment	5	0
7. Oversight body can initiate investigations	5	5
8. Oversight body can impose penalties for violations	5	5
Total Points	60	45

Explanation:

The Maryland Higher Education Commission is authorized to oversee and regulate postsecondary institutions, define as a school or other institution that offers an educational program for individuals who are at least 16 years old and who have graduated from or left elementary or secondary school. This definition encompasses both types of private postsecondary schools covered in this report: for-profit institutions of higher education, which are degree-granting postsecondary institutions (Type 1) and private career schools, which are non-degree-granting postsecondary institutions (Type 2), as well as private nonprofit institutions of higher education. (Md. EDUCATION Code Ann. § 10-101.)

The Commission has authority to establish minimum standards for issuing certificates, diplomas, and degrees by institutions of postsecondary education. (Md. EDUCATION Code Ann. § 11-201.) The Commission has authority to establish rules, investigate institutions, and to impose penalties on postsecondary institutions in Maryland. (Md. EDUCATION Code Ann. § 11-204.)

Because the Commission is subject to the Maryland Open Meetings Act, meetings must be open to the public. (Md. General Provisions Code Ann. § 3-101, *et seq.*) Although the Commission must provide the public with an opportunity to observe its meetings, Maryland law does not require the Commission to give the public an opportunity to participate or comment.

B. STATUTE-SPECIFIED MEMBERSHIP:

1. TO WHAT EXTENT ARE LIMITATIONS PLACED ON FOR-PROFIT MEMBERSHIP ON THE OVERSIGHT BODY?

25/25 POINTS

Explicit prohibition on for-profit majority, plus no possibility of a majority of the quorum	Explicit prohibition on for-profit majority	Discouraged	No prohibition specified, but not discouraged	For-profit majority mandated
25 Points	20 Points	10 Points	0 Points	-5 points

Explanation:

Maryland law does not include an explicit prohibition on a for-profit-interest member majority on the Commission. However, Maryland receives full credit for this element because the applicable statute explicitly prohibits Commission members from being employed by any agency or institution of postsecondary education or be a member of the governing board of any agency or institution of postsecondary education that is subject to the jurisdiction of the Commission. (Md. EDUCATION Code Ann. § 11-102(g).) This provision has the same effect as an explicit prohibition on for-profit majority—there will be no conflict of interest because members of the industry regulated will not be on the Commission charged with regulation.

2. IS THE OVERSIGHT BODY MANDATED TO INCLUDE AT LEAST ONE CONSUMER ADVOCATE?

0/10 POINTS

Yes	No
10 Points	0 Points

Explanation:

While Maryland law does require one member of the Commission to be a student (Md. EDUCATION Code Ann. § 11-102(b)), it does not mandate inclusion of an established, professional consumer advocate on the Commission.

3. ARE THE MEMBERS APPOINTED BY A PUBLICLY ACCOUNTABLE OFFICIAL OR ELECTED IN A GENERAL ELECTION?

5/5 POINTS

All	Majority	Half	Minority	None
5 Points	3 Points	2.5 Points	1 Point	0 Points

Explanation:

The Commission consists of 12 members appointed by the Governor, with the advice and consent of the Senate.

II. STATE OVERSIGHT—EFFICACY: 47/100 POINTS

A. DOES THE STATE REQUIRE ONSITE REVIEW OF PRIVATE POSTSECONDARY INSTITUTIONS?

6/10 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Mandatory onsite reviews			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct onsite reviews	No review specified
Type 1	10 Points	8 Points	5 Points	3 4 Points	0 Points
Type 2	10 Points	8 Points	5 Points	3 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland requires an onsite review of each institution of higher education as part of the initial approval process. (COMAR 13B.02.02.06.) Thereafter, the Commission has discretion to conduct an onsite review as part of the annual review to ensure continued compliance with the minimum requirements established in applicable statute and regulations. (COMAR 13B.02.02.08.) Maryland receives 3 points because it provides for annual discretionary review and an additional point because it requires an onsite review as a part of the initial approval process.

Type 2: Private career schools. Maryland requires an onsite review of each private career college as part of the initial approval process, unless the applicant career college operates a private career school outside Maryland. (COMAR 13B.01.01.04(B).) The Secretary of Higher Education issues a certificate of authorization to private career schools; the certificate is valid for a period of up to five years. Maryland requires an onsite review of private career schools as a part of the renewal of approval to operate. (COMAR 13B.01.01.04(C).) Maryland receives 8 points for requiring an onsite review at least once every five years.

B. DOES THE STATE REQUIRE UNANNOUNCED INSPECTIONS FOR ONSITE REVIEWS?

0/5 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Required unannounced visits	Discretion to do unannounced visits	No indication
Type 1	5 Points	3 Points	0 Points
Type 2	5 Points	3 Points	0 Points

Explanation:

Maryland does not explicitly require institutions of higher education (Type 1) or private career schools (Type 2) to conduct unannounced visits, nor does state law give the Commission discretion to conduct unannounced visits for either type of private postsecondary institution.

C. DOES THE STATE REQUIRE REGULAR REVIEWS OF PRIVATE POSTSECONDARY APPROVAL TO OPERATE?

20/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Mandatory			Discretionary	None
	Every 2 years or less	Every 3-5 years	Over 5 years	Discretion to conduct reviews	No review specified
Type 1	20 Points	15 Points	10 Points	5 Points	0 Points
Type 2	20 Points	15 Points	10 Points	5 Points	0 Points

Explanation:

Type 1: Institutions of higher education. An approval granted by the Maryland Secretary of Higher Education or the Commission remains in effect in accordance with its terms unless the Secretary or the Commission has limited the approval for a certain period of time. However, Maryland requires institutions of higher education to annually submit documents to the Commission relevant to the financial and academic health of the institution. (COMAR 13B.02.02.08.)

Type 2: Private career schools. A certificate of approval may be issued by the Secretary of Higher Education for a period not to exceed 5 years. However, Maryland requires approved private career schools to submit an annual report which covers the fiscal and managerial aspects of the school's operation. (COMAR 13B.01.01.06.)

D. DO THE CRITERIA FOR RENEWAL OF AUTHORIZATION MANDATE A REVIEW OF FACTORS ESSENTIAL TO ACADEMIC AND ETHICAL INTEGRITY?

11/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	8 of 8	7 of 8	6 of 8	5 of 8	4 of 8	3 of 8	2 of 8	1 of 8	0 of 8
Type 1	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	5 Points	2.5 Points	0 Points
Type 2	20 Points	17.5 Points	15 Points	12.5 Points	10 Points	7.5 Points	9.5 Points	5 Points	2.5 Points

Element	Type 1	Type 2
Admission requirements	M	D
Graduation requirements		D
Placement rate		M
Completion rate (or graduation rate)	M	M
Advertising practices	M	
Cohort default rate	M	
Accreditation status	M	M
Financial aid policies		

M=Mandatory; D=Discretionary

Explanation:

Type 1: Institutions of higher education. Maryland requires institutions of higher education to annually submit to the Commission documents relevant to the financial and academic health of the institution. These include documents reflecting the graduation rate, cohort default rate, and any change in accreditation status of the institution. (COMAR 13B.02.02.08.) The documents also include information reflecting the academic profile of entering students (which would likely include information about admission requirements). The Commission further monitors the advertising practices of institution to ensure continued compliance. (COMAR 13B.02.01.08 and COMAR 13B.01.01.04.)



Notable provision. Maryland requires schools to submit to the Commission several documents reflecting institutional expenditures including their advertising budget as a percentage of total expenditures; instructional expenses as a percentage of total expenditures; and reinvestment of gross revenues to support educational purposes and programs. (COMAR 13B.02.02.08(D).)

Type 2: Private career schools. Maryland requires private career schools to provide program performance data as part of their annual report to the Secretary. This data includes completion/graduation rates and placement rates. (Policies and Procedures for Maryland Private Career Schools at 25; available at <https://www.mhec.state.md.us/career/pcs/policiesmanual-6-15-05.pdf>.) Though the requirements specified for the annual report do not expressly require review of graduation requirements, Maryland requires schools to provide a current catalog to the Secretary of Higher Education. (COMAR 13B.01.01.15(C).) Because the catalog must include graduation requirements, the state receives partial credit here.

Likewise, the requirements specified for the annual report do not expressly include review of admission requirements; however, Maryland requires schools to maintain student records which must include evidence of compliance with the school’s admissions requirements. (COMAR 13B.01.01.11(A).) The Policies and Procedures for Maryland Private Career Schools specifies that these documents are required of private career schools along with a copy of the school catalog, enrollment agreement, and annual report. Thus, the state receives partial credit for this element as well.

Finally, an approved school shall file with the Secretary, within 5 days of receipt by the school, any reports or notices from government agencies, accreditation agencies, or other entities or organizations which notify the school of any actual or potential adverse actions to be taken against the school, including, but not limited to suspension or revocation of approval or accreditation. (COMAR 13B.01.01.06(C).) While this is not specifically included in the requirements for the annual report, the specified policy necessarily includes review of accreditation, should any adverse action occur and achieves the purpose of the element’s inclusion.

E. DOES THE STATE'S OVERSIGHT DISTINGUISH BETWEEN FOR-PROFIT AND NONPROFIT EDUCATIONAL INSTITUTIONS?

5/15 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, strongly distinguished	Yes, moderately distinguished	Yes, slightly distinguished	Not distinguished
Type 1	15 Points	10 Points	5 Points	0 Points
Type 2	15 Points	10 Points	5 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Some private nonprofit institutions of higher education, specifically those operating under a charter granted by the General Assembly, may operate without a certificate of approval from the Commission. (Md. EDUCATION Code Ann. § 11-202.1(A).) Further, Maryland does not require nonprofit institutions to get Commission approval before adding new academic programs or before modifying existing ones. (MD Code, Education, § 11-206.)

Type 2: Private career schools. Maryland defines a private career school as privately owned and privately operated institution of postsecondary education other than an institution of higher education that furnishes or offers to furnish programs, whether or not requiring a payment of tuition or fee, for the purpose of training, retraining, or upgrading individuals for gainful employment as skilled or semiskilled workers or technicians in recognized occupations or in new and emerging occupations. (Md. EDUCATION Code Ann. § 10-101(j).) State law does not distinguish between private nonprofit and private for-profit career schools in the statutes and regulations that govern these schools.

F. DOES THE STATE REQUIRE INCREASED OVERSIGHT/SCRUTINY OF PRIVATE POSTSECONDARY INSTITUTIONS BASED ON POOR PERFORMANCE?

5/10 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, mandatory	Yes, mandatory but limited	Yes, discretionary	Yes, discretionary but limited	No
Type 1	10 Points	7.5 Points	5 Points	2.5 Points	0 Points
Type 2	10 Points	7.5 Points	5 Points	2.5 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland law does not require institutions of higher education to submit performance data nor does the state require additional scrutiny for schools with poor performance outcomes.

Type 2: Private career schools. Maryland law requires private career schools to submit program performance data as part of its annual report to the Secretary of Higher Education. The Secretary / Commission will evaluate the data for compliance with the minimum standards Maryland has set for completion/graduation, placement, and exam passage. If any program is determined to be below the minimum standards for completion/graduation, placement and/or passage rate on the applicable licensing examination, the school will be required to develop and implement a plan of corrective action approved by the Secretary of Higher Education. The corrective action plan will be considered to be successful if the

program meets the minimum performance criteria when it is reevaluated with the submittal of the following year’s annual report. If the corrective actions of a school fail to bring the program’s rate of completion/graduation, placement, and/or passage on the licensing examination into compliance with minimum standards as reflected in the school’s next annual report, a notice of deficiency will be issued to the school. As in the case of all notices of deficiencies, the school will be afforded the opportunity either to take corrective action as prescribed by the Secretary, or to dispute the Secretary’s findings through a formal hearing process. (Policies and Procedures for Maryland Private Career Schools, at 24-25.)

G. DOES STATE LAW INCLUDE ANY SPECIAL PROTECTIONS FOR VETERANS WHO ATTEND PRIVATE POSTSECONDARY INSTITUTIONS?

0/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes	No
Type 1	20 Points	0 Points
Type 2	20 Points	0 Points

Explanation:

Type 1: Institutions of higher education. While Maryland requires institutions of higher education to include in their catalog a full description of services for veterans, disadvantaged individuals, and other special groups (COMAR 13B.02.02.22(B)(12)(d)), and the state has put in place admirable scholarship and grant opportunities for veterans (Md. EDUCATION Code Ann. §§ 18-604, 15-106.4, and 18-601), it does not specifically create any special protections for veterans, such as heightened scrutiny for schools that receive more than a specified percentage of revenue from veterans, or schools that specifically target veterans in their marketing/advertising campaigns.

Type 2: Private career schools. Maryland does not specifically create any special protections for veterans who attend private career schools.

III. STATE OVERSIGHT—SCOPE AND INCLUSION:

75/100 POINTS

A. ARE EXEMPTIONS TO STATE OVERSIGHT COVERAGE LIMITED?

75/100 POINTS

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	No exemptions	Few exemptions	Moderate exemptions	Broad exemptions
Type 1	100 Points	75 Points	50 Points	0 Points
Type 2	100 Points	75 Points	50 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland provides exemptions from requiring a certificate of approval to some private nonprofit institutions of higher education and some religious educational institutions. (Md. EDUCATION Code Ann. § 11-202.1.) Notably, Maryland exempts private institutions

of higher learning which provide distance education and participate in the State Authorization Reciprocity Agreement (SARA). (Md. EDUCATION Code Ann. § 11-202.2.)

Type 2: Private career schools. Maryland provides several common sense exemptions for private career schools, such as continuing education, refresher courses provided by a professional organization for the benefit of its members, religious institutions, tutors, and instruction provided by an organization for its employees. The one exemption of concern with regard to private career schools is the following: “A program delivered entirely by distance education to a single individual at a Maryland location by a person, firm, corporation, or other organization that operates all aspects of the business outside of Maryland, including but not limited to, the origination, transmission, and administration of the distance education program from outside of Maryland.” (COMAR 13B.01.01.03(B).)

Maryland exempts private career schools that provide online distance learning from contributing to the private career school fund after 3 years of claims history during which no claim against the fund has been sustained on behalf of a Maryland student participating in a fully online distance education program offered in the State. (Md. EDUCATION Code Ann. § 11-203(d).)

IV. DISCLOSURE REQUIREMENTS: **57.5/100 POINTS**

A. ARE INSTITUTIONS REQUIRED TO DISCLOSE INSTITUTIONAL PERFORMANCE MEASURES TO POTENTIAL STUDENTS?

10/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, mandatory	Yes, discretionary	None
	Fact sheet or equivalent required to be given to students	Fact sheet or equivalent given to students upon request	No fact sheet required
Type 1	20 Points	10 Points	0 Points
Type 2	20 Points	10 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland requires institutions of higher education to disclose performance information consistent with the institutions’ performance accountability plans. The performance accountability plans may include information such as graduation rate, retention rates, information on regional and professional accreditation and certification. Accountability reports must be made available annually to the Commission for review, but there is no indication that a fact sheet-type disclosure is required for students. (Md. Code Ann., Educ. § 11-305.)

Type 2: Private career schools. Maryland requires each school to provide a catalog to all students at the time of enrollment. The catalog must provide program performance information including data pertaining to each program’s enrollment, completion, withdrawal, placement, and rate of passage on any applicable licensing examination. (COMAR 13B.01.01.15(K); COMAR 13B.01.01.15.)

B. WHICH INSTITUTIONAL PERFORMANCE DISCLOSURES ARE REQUIRED TO BE GIVEN TO STUDENTS PRIOR TO ENROLLMENT?

40/60 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

Type 1: Institutions of higher education

Disclosures	Mandatory	Discretionary	Not specified
Cohort default rate (CDR)	10 Points	5 Points	0 Points
Graduation / completion rates	10 Points	5 Points	0 Points
Placement rates	10 Points	5 Points	0 Points
Wage information	10 Points	5 Points	0 Points
License exam passage rates	10 Points	5 Points	0 Points
Methods & sources used to calculate	10 Points	5 Points	0 Points

Explanation:

Maryland law requires institutions to develop performance accountability plans, which are reviewed annually, and must include retention and graduation rates, and other performance measures. (Md. Code Ann., Educ. § 11-305.) The state receives partial credit for the performance standards listed above that are not specified in the law.

Type 2: Private career schools

Disclosures	Mandatory	Discretionary	Not specified
Cohort default rate (CDR)	10 Points	5 Points	0 Points
Graduation / completion rates	10 Points	5 Points	0 Points
Placement rates	10 Points	5 Points	0 Points
Wage information	10 Points	5 Points	0 Points
License exam passage rates	10 Points	5 Points	0 Points
Methods & sources used to calculate	10 Points	5 Points	0 Points

Explanation:

The program performance information provided by the school to students and prospective students must be complete, verifiable, and consistent with the program performance information required to be reported by the school in its most recent annual report to the Secretary. Program performance information includes data pertaining to each program’s enrollment, completion, withdrawal, placement, and rate of passage on any applicable licensing examination. Maryland requires schools to provide, in the catalog, program performance information required by the federal government to be disclosed by the school. (COMAR 13B.01.01.15.) The state requires schools to provide validated placement statistics to students or prospective students on request to substantiate employment claims made by the school. A validated range of possible earnings shall be provided by the school to students or prospective students upon request. (COMAR 13B.01.01.15.)

C. DOES THE STATE REQUIRE SCHOOLS TO DISCLOSE ELEMENTS ESSENTIAL TO STUDENT PROTECTION PRIOR TO ENROLLMENT OR IN THE ENROLLMENT CONTRACT?

7.5/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

Type 1: Institutions of higher education:

Element Description	Mandatory	Discretionary	Not specified
Total cost of program	5 Points	2.5 Points	0 Points
Refund information	5 Points	2.5 Points	0 Points
Transferability of credits	5 Points	2.5 Points	0 Points
Length of program	5 Points	2.5 Points	0 Points

Explanation:

Maryland law does not specify any required elements for enrollment agreements.

Type 2: Private career schools:

Element Description	Mandatory	Discretionary	Not specified
Total cost of program	5 Points	2.5 Points	0 Points
Refund information	5 Points	2.5 Points	0 Points
Transferability of credits	5 Points	2.5 Points	0 Points
Length of program	5 Points	2.5 Points	0 Points

Explanation:

Maryland requires private career schools to publish in the school’s catalog a schedule of tuition and fees and methods of payment. The school may not deviate from its published tuition and fees and methods of payment. Maryland requires schools to include all terms and conditions relating to the entire length and total cost of the program. (COMAR 13B.01.01.12(I),(J).) Additionally, Maryland requires schools to disclose their approved refund policy on the student enrollment contracts, on application forms, and in the catalog. (COMAR 13B.01.01.12(O).)

V. REGULATION OF RECRUITING PRACTICES:

68.75/100 POINTS

A. HAS THE STATE PUT INTO LAW A LIST OF PROHIBITED ACTS REGARDING ADVERTISING AND RECRUITING?

75/100 POINTS

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, strong regulation	Yes, moderate regulation	Yes, weak regulation	No list of prohibited acts
Type 1	100 Points	75 Points	50 Points	0 Points
Type 2	100 Points	75 Points	50 Points	0 Points

PROHIBITED ACTS

Included in list of prohibited acts	Type 1	Type 2
Misleading representations using the word “college” or “university”	X	X
Misleading institution affiliations (e.g., military, public institution, businesses)		X
Promise of employment		X
Compensation for enrollment		X
Compensation or “bounty” to recruiters	X	
Deception (broad prohibition)		
Misrepresentation (broad prohibition)	/	X
Misleading representations re: accreditation	X	

1-3=Weak; 3.5-6=Moderate; 6.5-8=Strong

Explanation:


Type 1: Institutions of higher education. An institution of higher education may not pay a commission, a bonus, or any other incentive payment based on success in securing enrollments or the award of financial aid to a person or entity engaged in student recruitment or admission activity. (Md. EDUCATION Code Ann. § 11-402.1.) Further, Maryland requires, for institutions providing distance education, that advertising, recruiting, and admissions materials clearly and accurately represent the program and the services available. This provision can reasonably be interpreted to serve the same purpose as a prohibition on misrepresentation. The state receives partial credit for this element because it is included only for institutions which provide distance education. (13B.02.02.16(O).)

Maryland requires that any institution of higher education that does not possess regional accreditation from the Commission on Accreditation of the Middle States Commission on Higher Education or another regional accrediting body approved by the Commission shall require its students to sign a letter of acknowledgment that the transfer of credits may be difficult if the student intends to transfer the credits to a regionally accredited institution of higher education in the state. (Md. EDUCATION Code Ann. § 11-404(a)(1).) Maryland receives credit for prohibiting misleading representations because this provision serves the purpose of ensuring that students are informed about the accreditation status of the school.

Type 2: Private career schools. Maryland prohibits a person, firm, association, corporation, or other entity from using the name “college,” “university,” “regional higher education center,” or word of similar import, in such manner as to connote the offering of a postsecondary educational course or program, unless that person, firm, association, or corporation has first met the criteria established by, and obtained a certificate of approval from, the Commission in the manner provided by law. (COMAR 13B.02.02.04(A).) This prohibition applies to private career schools and institutions of higher education.

Maryland expressly prohibits career colleges from exaggeration and misrepresentation of any kind in its advertising, through its field representatives, or through any other agency. Further, the state prohibits schools from advertising in help wanted columns in newspapers or other publications and it prohibits schools from advertising endorsement by manufacturers, business firms, organizations, or individuals engaged in the line of work for which it trains, unless it can present written evidence of the endorsement or endorsements the date of which must be included in the advertisement. (COMAR 13B.01.01.15.)

Taken together, Maryland’s regulation of recruiting practices is moderate; this is due, in large part, to the stronger regulations in place with regard to private career schools.

 The state's regulation of recruiting practices at private institutions of higher education is weaker than its regulation of recruiting practices at career colleges. Both types of institutions have histories of abuse where recruiting practices are concerned, so the level of regulation should be similar.

VI. COMPLAINT PROCESS AND RELIEF FOR STUDENTS:

58/100 POINTS

A. DOES THE STATE REQUIRE A BOND OR FUND AS A CONDITION OF AUTHORIZATION?

10/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes	No
Type 1	20 10 Points	0 Points
Type 2	20 10 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland requires institutions of higher education to provide a surety bond or a letter of credit to the Commission before it will consider initial approval. The state receives partial credit here because the surety bond or letter of credit must be in effect for only 6 years (for institutions granting baccalaureate or higher degrees and for only 4 years for institutions granting associate degrees). (COMAR 13B.02.02.07(C).)

Type 2: Private Career Schools. Maryland requires private career schools to pay into the Guaranty Student Tuition Fund, but the state gives discretion to the Secretary of Higher Education with regard to whether or not to require a private career school to provide a renewable performance bond or an irrevocable letter of credit prior to receiving initial approval. (COMAR 13B.01.01.04(B(6).) The state receives partial credit for this element because the bond is discretionary, not required.

B. DOES THE STATE REQUIRE A REFUND OF TUITION IF A STUDENT ENROLLS AS THE RESULT OF MISREPRESENTATION?

10/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, full refund	Yes, partial refund	No refund required
Type 1	20 Points	10 Points	0 Points
Type 2	20 Points	10 Points	0 Points

Explanation:

Maryland provides, in specific circumstances, for a full refund to students in instances in which a student enrolls as the result of misrepresentation. Specifically, Md. EDUCATION Code Ann. § 11-107(c) provides that “[f]or any institution of postsecondary education required to have Commission approval before offering a program, if the institution offers an unapproved program, the Secretary may require the institution to refund all tuition and fees paid by students who enrolled in the program, and may revoke the certificate of approval of any institution that fails to make a required refund within the time specified by

the Secretary.” It is reasonable to assume that a student enrolled in an unapproved program likely enrolled as a result of misrepresentation, thus, Maryland receives partial credit for this element. The above provision applies to both institutions of higher education (type 1) and private career schools (type 2), both of which are included in the definition of “institution of postsecondary education.”

C. DOES THE STATE REQUIRE INSTITUTIONS TO REFUND TUITION IN THE EVENT OF CLOSURE?

15/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, full refund	Yes, partial refund	Yes, refund in limited circumstances	No refund required
Type 1	20 Points	15 Points	10 Points	0 Points
Type 2	20 Points	15 Points	10 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland regulations require schools to use the balance of the required financial guarantee with the approval of the Secretary or the Secretary's designee in order to refund tuition monies owed to students. The state does not specify that institutions must provide a full refund, and the required surety bonds are only required for 4 years (for institutions granting associate’s degrees) or 6 years (for institutions granting baccalaureate degrees), which may be limit the availability of funds. Thus, the state receives partial credit for including provisions for refund in some of these circumstances.

Type 2: Private career schools. Maryland requires private career schools to contribute to the Guaranty Student Tuition Fund. (COMAR 13B.01.01.18(D).) If a private career school closes or discontinues a course or program, Maryland requires the school to refund to each currently enrolled student monies paid by the student for tuitions and fees and monies for which the student is liable for tuitions and fees. (COMAR 13B.01.01.12(I).) With the approval of the Secretary, a school that closes or discontinues a course or program, instead of refunding monies to a student, may arrange for that student to complete his or her educational program at another approved school offering a similar program. It is the student's option to receive the refund or to accept the transfer to another school. (COMAR 13B.01.01.12(J).)

D. DOES THE STATE ALLOW STUDENTS AMPLE TIME TO MAKE A COMPLAINT?

10/10 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	2 years or more (or no deadline)	1-2 years	Under 1 year	Not applicable
Type 1	10 Points	5 Points	1 Points	0 Points
Type 2	10 Points	5 Points	1 Points	0 Points

Explanation:

Maryland does not specify a deadline for filing complaints for students whether the student is attending an institution of higher education or a private career school.

E. DOES THE STATE REQUIRE INSTITUTIONS TO DISCLOSE INFORMATION ABOUT FILING A COMPLAINT WITH THE STATE OVERSIGHT BODY?

13/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

Type 1: Institutions of higher education

Medium	Mandatory	Discretionary	Not specified
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 3.5 points	0 Points
Enrollment contract	5 Points	2.5 Points	0 Points

Explanation:

Maryland requires institutions of higher education to include in their catalogs a statement of student rights and responsibilities, including a student grievance procedure and a contact office for the resolution of complaints. (COMAR 13B.02.02.22(B)(13).) The only instance in which the state requires institutions of higher education to post on their website information regarding the process by which to make complaints against the institution is where an institution of higher education enrolls Maryland students in a fully online distance education program in the State. (Md. EDUCATION Code Ann. § 11-202.2(C)(5)(ii).) Maryland receives partial credit for giving discretion regarding the disclosure of information about filing a complaint with the state oversight body because it is reasonable to believe that some institutions may include these disclosures in the student grievance procedure that they are required to include in the catalog; also, institutions may post their catalogs online. Finally, Maryland receives one additional point for requiring online distance education programs to post information on how to file a complaint against the institution online.

Type 2: Private career schools

Medium	Mandatory	Discretionary	Not specified
Catalog	10 Points	5 Points	0 Points
Website	5 Points	2.5 Points	0 Points
Enrollment contract	5 Points	2.5 Points	0 Points

Explanation:

Maryland requires private career schools to develop a statement of student rights, privileges, and responsibilities and make this statement available to students through the catalog, student handbook, or other appropriate publication. The school must publish a student grievance procedure in its catalog, student handbook, or other appropriate publication. If a student has exhausted a school's grievance procedure and still claims to be aggrieved, the school shall inform the student of his or her right to appeal to the Secretary. (COMAR 13B.01.01.14.) There is no indication, however, that private career schools must disclose information about filing a complaint with the Secretary or the Commission on their websites, in catalogs, or in enrollment contracts. It is reasonable to believe that in some cases this information may be a part of the grievance procedure, which the state requires to be published in private

career school catalogs or other “appropriate publications,” which may include the school website. Thus, the state receives partial credit for this element.

F. IS THE COMPLAINT PROCESS READILY ACCESSIBLE AND AVAILABLE ON THE STATE OVERSIGHT BODY’S WEBSITE?

0/10 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, with address	Yes, with phone #	Yes, with email address	Yes, with electronic form	No
Type 1	2 Points	2 Points	3 Points	3 Points	0 Points
Type 2	2 Points	2 Points	3 Points	3 Points	0 Points

Explanation:

Type 1: Institutions of higher education and Type 2: private career schools. The Maryland Commission of Higher Education oversees both types of institutions in Maryland. There is no easily located and readily accessible complaint process available on Commission’s website with regard to either type of institution.

VII. ENFORCEMENT: 20/100 POINTS

A. IS THERE LOSS OF STATE AID FOR SCHOOLS THAT REPEATEDLY PRODUCE SUBSTANDARD GRADUATION RATES, JOB PLACEMENT RATES, AND/OR COHORT DEFAULT RATES?

0/30 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes, required	Yes, required but limited	Yes, discretionary	Yes, discretionary but limited	No
Type 1	30 Points	20 Points	15 Points	5 Points	0 Points
Type 2	30 Points	20 Points	15 Points	5 Points	0 Points

Explanation:

Type 1: Institutions of higher education. Maryland does not require the loss of state aid for institutions of higher education that repeatedly produce substandard graduation rates, job placement rates, and/or cohort default rates.

Type 2: Private career schools. Though the state monitors performance indicators for private career schools, Maryland does not expressly require the loss of state aid for institutions of higher education that repeatedly produce substandard graduation rates, job placement rates, and/or cohort default rates.

B. DOES STATE LAW EXPLICITLY AUTHORIZE A PRIVATE RIGHT OF ACTION FOR STUDENTS AGAINST INSTITUTIONS THAT HAVE VIOLATED THE LAWS AND REGULATIONS IN PLACE TO GOVERN THEM?

0/30 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes	Limited circumstances	No
Type 1	30 Points	15 Points	0 Points
Type 2	30 Points	15 Points	0 Points

Explanation:

Type 1: Institutions of higher education and Type 2: private career schools. Maryland does not expressly authorize a private right of action for students against either institutions of higher education or private career schools that have violated the laws and regulations in place to govern them.

C. DOES STATE LAW EXPLICITLY ALLOW ATTORNEY FEE AWARDS FOR STUDENTS WHO PREVAIL IN LITIGATION AGAINST PRIVATE FOR-PROFIT POSTSECONDARY INSTITUTIONS?

0/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes	Limited	No
Type 1	20 Points	15 Points	0 Points
Type 2	20 Points	15 Points	0 Points

Explanation:

Type 1: Institutions of higher education and Type 2: private career schools. Maryland does not explicitly allow attorney fee awards for students who prevail in litigation against either institutions of higher education or private career schools that have violated the laws and regulations in place to govern them.

D. DOES STATE LAW EXPLICITLY AUTHORIZE ATTORNEY GENERAL INVOLVEMENT?

20/20 POINTS*

**points for Type 1 and Type 2 schools have been averaged to calculate the above score*

	Yes	Limited circumstances	No
Type 1	20 Points	10 Points	0 Points
Type 2	20 Points	10 Points	0 Points

Explanation:

The Commission may authorize the Secretary, acting through the Attorney General, to seek an injunction,

or other judicial remedy, against a school for any violation of applicable law. This applies to both institutions of higher education and private career schools. This remedy is in addition to other remedies provided by law. (Md. EDUCATION Code Ann. § 11-107.)

BONUS POINTS:

Maryland does not receive any bonus points.



ILLUMINATING INFORMATION



RECIPROCITY AGREEMENTS

Maryland is a member of the State Authorization Reciprocity Agreements (SARA).

LITIGATION, INVESTIGATIONS, AND ACTIONS INVOLVING PRIVATE FOR-PROFIT EDUCATIONAL INSTITUTIONS IN MARYLAND

For information about pending and recent federal and state government investigations and actions regarding for-profit colleges see David Halperin's compilation at <http://www.republicreport.org/2014/law-enforcement-for-profit-colleges/#sthash.1vc4HmPw.dpuf>.