

116TH CONGRESS  
1ST SESSION

# H. R. 4653

To amend the Higher Education Act of 1965 to prevent conflicts of interest on accreditation boards.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 11, 2019

Mrs. LEE of Nevada (for herself and Mr. GARCÍA of Illinois) introduced the following bill; which was referred to the Committee on Education and Labor

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## A BILL

To amend the Higher Education Act of 1965 to prevent conflicts of interest on accreditation boards.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Under-  
5 graduates with Board Limitations from Influence and  
6 Conflicts Act” or the “PUBLIC Act”.

7 **SEC. 2. SEPARATE AND INDEPENDENT DEFINED.**

8 Section 496 of the Higher Education Act of 1965 (20  
9 U.S.C. 1099b) is amended—

1           (1) in subsection (a)(3)(A), by inserting before  
2           the semicolon at the end the following: “, and any  
3           institution described in subsection (b)”;

4           (2) by striking subsection (b) and inserting:

5           “(b) SEPARATE AND INDEPENDENT DEFINED.—For  
6           the purpose of subsection (a)(3), the term ‘separate and  
7           independent’ means that—

8           “(1) the members of the postsecondary edu-  
9           cation governing body and any other decision-mak-  
10          ing body of the accrediting agency or association are  
11          not—

12           “(A) elected or selected by the board or  
13           chief executive officer of any related, associated,  
14           or affiliated trade association or membership  
15           organization; or

16           “(B) individuals (such as executives and  
17           owners of an institution) who exercise substan-  
18           tial control over an institution—

19           “(i) required to provide the Secretary  
20           with satisfactory evidence of its financial  
21           responsibility in accordance with para-  
22           graph (3)(A) of section 498(c) because the  
23           institution fails to meet criteria under  
24           paragraphs (1) and (2) of such section;

1           “(ii) that the Secretary has placed on  
2           a reimbursement system of payment pursu-  
3           ant to section 487(c)(1)(B);

4           “(iii) against which the Secretary has  
5           initiated an emergency action in accord-  
6           ance with section 487(c)(1)(G);

7           “(iv) against which the Secretary has  
8           limited, suspended, or terminated the insti-  
9           tution’s participation in any program  
10          under this title in accordance with section  
11          487(c)(1)(F); or

12          “(v) that has been placed on proba-  
13          tion, show cause, or had its accreditation  
14          withdrawn;

15          “(2) among the membership of the board of the  
16          accrediting agency or association there shall be 1  
17          public member for each 3 members of the board,  
18          with a minimum of 1 such public member, and  
19          guidelines are established for such members to avoid  
20          conflicts of interest, including guidelines ensuring  
21          that such each such public member—

22                 “(A) is selected to serve on such board in  
23                 the same manner that other board members are  
24                 selected for such service;

1           “(B) has not served on such board as a  
2 nonpublic member in the preceding 10 years;

3           “(C) is not (or has not been in the pre-  
4 ceding 5-year period) a full-time employee of, or  
5 a member of the governing board, an owner, or  
6 shareholder of, or consultant to, an institution  
7 or program that—

8                   “(i) is accredited or preaccredited by  
9 the agency or association; or

10                   “(ii) has applied for accreditation or  
11 preaccreditation from such agency or asso-  
12 ciation;

13           “(D) is not a member of any trade associa-  
14 tion or membership organization related to, af-  
15 filiated with, or associated with the agency or  
16 association or an institution that is accredited  
17 by such agency or association; and

18           “(E) is not a spouse, parent, child, or sib-  
19 ling of an individual identified in subparagraph  
20 (C) or (D);

21           “(3) dues to the accrediting agency or associa-  
22 tion are paid separately from any dues paid to any  
23 related, associated, or affiliated trade association or  
24 membership organization; and

1           “(4) the budget of the accrediting agency or as-  
2           sociation is developed and determined by the accred-  
3           iting agency or association without review or resort  
4           to consultation with any other entity or organiza-  
5           tion.”.

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