

CHAPTER 15-18.1
POSTSECONDARY EDUCATION INSTITUTION MINIMUM STANDARDS

15-18.1-01. Definitions.

As used in this chapter:

1. "Authorization to operate" or like term means approval of the board to operate or to contract to operate a postsecondary educational institution in this state.
2. "Board" means the state board of higher education.
3. "Education" or "educational services" or like term includes any class, course, or program of training, instruction, or study.
4. "Educational credentials" means degrees, diplomas, certificates, transcripts, reports, documents, or letters of designation, marks, appellations, series of letters, numbers, or words which signify, purport, or are generally taken to signify enrollment, attendance, progress, or satisfactory completion of the requirements or prerequisites for education at a postsecondary educational institution operating in this state.
5. "Postsecondary educational institution" means an academic, technical, home study, business, professional or other school, college, or university, or other person, operating in this state, offering educational credentials or offering instruction or educational services, primarily to any individual who has completed or terminated secondary education or who is beyond the age of compulsory high school attendance, for attainment of educational, or professional objectives at the associate in arts level or higher.
6. "To grant" includes awarding, selling, conferring, bestowing, or giving.
7. "To offer" includes, in addition to its usual meanings, advertising, publicizing, soliciting, or encouraging any individual, directly or indirectly, in any form, to perform the act described.
8. "To operate" an educational institution, or like term, means to establish, keep, or maintain any facility or location in this state where, from, or through which, education is offered or given, or educational credentials are offered or granted, and includes contracting with any person to perform any such act.

15-18.1-02. Exemptions.

The following education and educational schools or institutions are exempted from the provisions of this chapter:

1. Education sponsored by a bona fide trade, business, professional, or fraternal organization, so recognized by the board, solely for that organization's membership, or offered on a no-fee basis.
2. Education offered by charitable institutions, organizations, or agencies, so recognized by the board, provided the education is not advertised or promoted as leading toward educational credentials.
3. Postsecondary educational institutions established, operated, and governed by this or any other state or its political subdivisions, as determined by the board and any educational consortium that includes one or more of the institutions.
4. Private four-year institutions chartered or incorporated and operating in the state prior to July 1, 1977, so long as the institutions retain accreditation by national or regional accrediting agencies recognized by the United States office of education.
5. Schools of nursing regulated under chapter 43-12.1.
6. Native American colleges operating in this state, established by federally recognized Indian tribes.
7. Postsecondary educational institutions not operating in this state.
8. Institutions whose only physical presence in this state consists of students enrolled in practicums, internships, clinicals, or student teaching in this state.
9. Postsecondary career schools regulated under chapter 15-20.4.

15-18.1-03. Voluntary application for authorization to operate.

Although a postsecondary educational institution not operating in this state is exempt from this chapter by section 15-18.1-02, the institution may subject itself to the requirements of this chapter by applying for and being awarded an authorization to operate by the board. An authorization to operate, as applied to a postsecondary educational institution not operating in this state, means approval of the board to offer to students in this state educational services leading to educational credentials.

15-18.1-04. Board powers and duties.

The board shall:

1. Establish and require compliance with minimum standards and criteria for postsecondary educational institutions under this chapter. The standards and criteria must include quality of education, ethical and business practices, health and safety and fiscal responsibility, which applicants for authorization to operate shall meet:
 - a. Before such authorization may be issued; and
 - b. To continue such authorization in effect.
2. Prescribe forms and conditions for, receive, investigate as it may deem necessary, and act upon applications for authorization to operate postsecondary educational institutions.
3. Maintain a list of postsecondary educational institutions authorized to operate in this state.
4. Consider entering interstate reciprocity agreements with similar agencies in other states.
5. Receive and maintain a permanent file, copies of academic records specified by the board in the event any postsecondary educational institution required to have an authorization to operate under this chapter proposes to discontinue its operation.
6. Adopt policies for the conduct of its work and the implementation of this chapter.
7. Adopt policies to investigate on its own initiative or in response to any complaint lodged with it, any person subject to, or reasonably believed by the board to be subject to, the jurisdiction of this chapter. The board may, after hearing, revoke or suspend authorizations to operate.
8. Require fees or bonds from postsecondary educational institutions in such sums and under such conditions as it may establish.
9. Apply fees received under this chapter to implement and manage its duties under this chapter.
10. Take any action necessary to carry out the provisions of this chapter.

15-18.1-05. Minimum standards.

All postsecondary educational institutions must be accredited by national or regional accrediting agencies recognized by the United States department of education. The board may additionally require such further evidence and make such further investigation as in its judgment may be necessary. Any postsecondary educational institution operating in this state seeking its first authorization to operate may be issued a provisional authorization to operate on an annual basis until the institution becomes eligible for accreditation by a recognized accrediting agency. Institutions issued a provisional authorization to operate must demonstrate a substantial good-faith showing of progress toward such status. Only upon accreditation may an institution become eligible for a regular authorization to operate. An institution shall give written notification to the board within thirty days of any change to the institution's accreditation status.

15-18.1-06. Prohibition - Penalty.

1. A person may not:
 - a. Operate, in this state, a postsecondary educational institution not exempted from the provisions of this chapter, unless the institution has a currently valid authorization to operate issued under this chapter.

- b. Instruct or educate, or offer to instruct or educate, including advertising or soliciting for such purpose, enroll or offer to enroll, contract or offer to contract with any person for such purpose, or award any educational credential, or contract with any institution or party to perform any such act, at a facility or location in this state unless such person, group, or entity observes and is in compliance with the minimum standards and criteria established by the board and the policies adopted by the board.
 - c. Use the term "university", "institute", or "college" without authorization to do so from the board.
 - d. Grant, or offer to grant, educational credentials, without authorization to do so from the board.
2. A person who violates this section, or who fails or refuses to deposit with the board the records required by the board under this chapter, is subject to a civil penalty not to exceed one hundred dollars for each violation. Each day's failure to comply with these provisions is a separate violation. The fine may be imposed by the board in an administrative proceeding or by any court of competent jurisdiction.
3. A person who willfully violates this section, or who willfully fails or refuses to deposit with the board the records required by the board under this chapter, is guilty of a class B misdemeanor. The criminal sanctions may be imposed by a court of competent jurisdiction in an action brought by the attorney general of this state or a state's attorney pursuant to section 15-18.1-12.

15-18.1-07. Refund of tuition fees.

Postsecondary educational institutions shall refund tuition and other charges, other than a reasonable application fee, in accordance with the schedule determined by the board.

15-18.1-08. Cancellation of contract for instrument.

A person has the right for any cause to rescind, revoke, or cancel a contract for educational services at any postsecondary educational institution within seven days after entering the contract without incurring any tort or contract liability.

15-18.1-09. Remedy of defrauded student - Treble damages.

A person defrauded by an advertisement or circular issued by a postsecondary educational institution, or by a person who sells textbooks to the institution or to the pupils thereof, may recover from the institution or person three times the amount paid.

15-18.1-10. Board review.

A person aggrieved by a decision of the board respecting denial or revocation of an authorization to operate, or the placing of conditions thereon, whether on initial application or on application for renewal may appeal to the board in the manner provided by the board.

15-18.1-11. Jurisdiction of courts - Service of process.

A postsecondary educational institution not exempt from this chapter, which has a place of business in this state, and which instructs or educates, or offers to instruct or educate, enrolls or offers to enroll, or contracts or offers to contract, to provide instructional or educational services in this state, whether the instruction or services are provided in person or by correspondence, to a resident of this state, or which offers to award or awards educational credentials to a resident of this state, submits the institution, and if an individual, the individual's personal representative, to the jurisdiction of the courts of this state, concerning any claim for relief arising therefrom, and for the purpose of enforcement of this chapter by injunction pursuant to section 15-18.1-12. Service of process upon the institution subject to the jurisdiction of the courts of this state may be made by personally serving the summons upon the defendant within or outside this state, in the manner prescribed by the North Dakota Rules of Civil Procedure, with the same force and effect as if the summons had been personally served within this state.

15-18.1-12. Enforcement - Injunction.

1. The attorney general of this state, or the state's attorney of any county in which a postsecondary educational institution is found, at the request of the board or on the attorney general's own motion, may bring any appropriate action or proceeding, including injunctive proceedings or criminal proceedings, in any court of competent jurisdiction for the enforcement of the provisions of this chapter.
2. Whenever it appears to the board that a person is about to, or has been violating any of the provisions of this chapter or any policies or orders of the board, the board may, on its own motion or on the written complaint of any individual, file a petition for injunction in the name of the board in any court in this state against a person, for the purpose of enjoining such violation or for an order directing compliance with this chapter, and any policies or orders issued by the board. It is not necessary that the board allege or prove that it has no adequate remedy at law. The right of injunction provided in this section is in addition to any other legal remedy which the board has, and is in addition to any right of criminal prosecution provided by law; provided, however, the board may not obtain a temporary restraining order without notice to the person affected.

15-18.1-13. Unlawful to issue, manufacture, or use false academic degrees - Penalty.

1. It is unlawful for a person to knowingly advertise to sell, issue, or manufacture a false academic degree. A person that violates this subsection is guilty of a class C felony. This subsection does not apply to a newspaper, television or radio station, or other commercial medium that is not the source of the advertisement.
2. a. It is unlawful for an individual to knowingly use or claim to have a false academic degree:
 - (1) To obtain employment;
 - (2) To obtain a promotion or higher compensation in employment;
 - (3) To obtain admission to an institution of higher learning; or
 - (4) In connection with any business, trade, profession, or occupation.b. An individual who violates this subsection is guilty of a class A misdemeanor.
3. As used in this section, "false academic degree" means a document such as a degree or certification of completion of a degree, coursework, or degree credit, including a transcript, that provides evidence or demonstrates completion of a course of instruction or coursework that results in the attainment of a rank or level of associate or higher which is issued by a person that is not a duly authorized institution of higher learning.
4. As used in this section, "duly authorized institution of higher learning" means an institution that:
 - a. Has accreditation recognized by the United States secretary of education or has the foreign equivalent of such accreditation;
 - b. Has an authorization to operate under this chapter or under chapter 15-20.4;
 - c. Operates in this state, and is exempt from this chapter under section 15-18.1-02 or is exempt from chapter 15-20.4 under section 15-20.4-02;
 - d. Does not operate in this state and is:
 - (1) Licensed by the appropriate state agency; and
 - (2) An active applicant for accreditation by an accrediting body recognized by the United States secretary of education; or
 - e. Has been found by the state board of higher education or the state board for career and technical education to meet standards of academic quality comparable to those of an institution located in the United States that has accreditation recognized by the United States secretary of education to offer degrees of the type and level claimed.

15-18.1-14. Unlawful to use degree or certificate when coursework not completed - Penalty.

1. An individual may not knowingly use a degree, certificate, diploma, transcript, or other document purporting to indicate that the individual has completed an organized program of study or completed courses when the individual has not completed the organized program of study or the courses as indicated on the degree, certificate, diploma, transcript, or document:
 - a. To obtain employment;
 - b. To obtain a promotion or higher compensation in employment;
 - c. To obtain admission to an institution of higher learning; or
 - d. In connection with any business, trade, profession, or occupation.
2. An individual who violates this section is guilty of a class A misdemeanor.

15-18.1-15. Consumer protection - False academic degrees.

The North Dakota university system, in collaboration with the state board for career and technical education, shall provide information via internet websites to protect students, businesses, and others from persons that issue, manufacture, or use false academic degrees.

15-18.1-16. Unlawful to operate accreditation mill - Penalty.

1. A person may not operate an accreditation mill in North Dakota.
2. As used in this section:
 - a. "Accreditation mill" means an accrediting entity that is not recognized by the United States department of education, the state board of higher education, or the state board for career and technical education.
 - b. "Operate" includes to use an address, telephone number, facsimile number, or other contact point located in North Dakota.
3. A person that violates this section is guilty of a class C felony.

15-18.1-17. Compliance with professional board registration and certification requirements.

A postsecondary educational institution shall give written notification to potential students applying for enrollment in a course or program that customarily leads to professional registration or certification of the status of the course or program compliance with the registration or certification requirements of the appropriate professional board in the state. A postsecondary educational institution shall give written notification to all students enrolled in a program or course that customarily leads to professional registration or certification of any change in the status of the course or program compliance with the registration or certification requirements of the appropriate professional board in the state.