Published on *University of Colorado* (https://www.cu.edu)

March 2025 State Authorization Updates & Information [1]

March 17, 2025 by erika.swain@cu.edu [2]

To quote Lee Bollinger form his recent interview in the Chronicle of Higher Education [3] - "Our problem in part is a failure of imagination. We cannot get ourselves to see how this is going to unfold in its most frightening versions."

The landscape of state authorization and online education has always been complex, but recent reductions in force at the U.S. Department of Education have introduced new uncertainties for many of us. With fewer personnel overseeing the overall compliance and enforcement of regulations, institutions must be more proactive than ever in ensuring their programs remain in good standing.

However, with staffing cuts at the Department of Education, we're likely to see confusion, delays in guidance, enforcement actions, and approvals—and a continued shift in priorities in regulatory oversight (not to mention the likely shift in which agency has the oversight responsibility). While some may interpret this as a loosening of compliance requirements, the reality is that institutions remain responsible for adhering to both federal and state regulations, regardless of reduced federal oversight until we are told otherwise.

I would like to add the caveat that none of this should be a surprise to any of us - the current administration has been telling us their intentions and plans for a while now. Just because we don't want it to happen doesn't mean it won't.

Where We Stand: The Current Regulatory Landscape

State authorization has been a cornerstone of distance/online education regulation for at least the last decade and we need to ensure that institutions like ours continue to comply with SARA policy as well as state-specific general purpose laws when offering online programs or out of state placements to students outside of Colorado state. While the rulemaking from last year that was looking to revise how state authorization would work has been rolled back, and there has been no word on what if any potential new language around state authorization may come our way. the Department of Education continues to play a critical role in state authorization and related financial aid regulations.

Key Challenges Moving Forward

- Increased Institutional Responsibility – As institutions, we must take greater ownership of monitoring and interpreting state authorization requirements as part of the reciprocity agreement as well as what may be coming out of individual states that falls outside of the SARA. This may mean dedicating internal resources to staying up-to-date on policy changes and ensuring continued compliance.

- Potential State-Level Scrutiny – As federal oversight fluctuates and oversight in associated areas is "given back to the states," individual states may take a more active role in enforcing their own general-purpose laws (especially those relating to consumer protection) beyond SARA [see SARA Policy 2.5(k)]. Institutions should anticipate potential shifts in how some states approach these laws, including potential changes in enforcement actions.
- Financial Aid and Title IV Considerations – For institutions like ours that participate in federal financial aid programs, maintaining compliance with state authorization remains crucial. Any missteps in authorization status could put Title IV funding at risk, even if federal enforcement mechanisms are temporarily weakened.
- Accreditor Expectations – Accrediting bodies will likely continue to emphasize state authorization compliance, even if federal enforcement slows. We should be prepared to demonstrate compliance as part of their accreditation reviews.

What Institutions Can Do Now

- Monitor Policy Developments Closely – Keep a close eye on updates from the Department of Education [4], state regulators [5], NC-SARA [6], and professional organizations, like SAN and WCET, focused on state authorization [7] and online education [8].
- Strengthen Internal Compliance Teams – With fewer external resources available, institutions should ensure they have dedicated staff tracking regulatory changes and managing state authorization processes.
- Engage with SARA and State Regulators – For institutions participating in SARA, continued engagement with the NC-SARA and individual state agencies is essential.
- Prepare for Potential Shifts in Federal Oversight – While it’s unclear how long the Department of Education’s staffing reductions will impact regulatory enforcement or where that responsibility will live and in what capacity in the coming months, institutions should operate as if full compliance reviews could resume at any time.

Looking Ahead

The reduction of force at the Department of Education introduces uncertainty, but it does not eliminate the need for institutions to remain compliant with state authorization and online education regulations. By taking a proactive approach, institutions can navigate these changes effectively, ensuring they continue to provide quality online education while maintaining compliance with evolving regulations.

Have questions or insights on how your institution is handling state authorization in this shifting landscape? Don't hesitate to reach out with questions or comments!

Display Title:
State Authorization and Online Education Amid Department of Education Staffing Cuts
Send email when Published:
Yes

Source URL:https://www.cu.edu/blog/state-authorization-newsletter/march-2025-state-authorization-updates-information

Links
[1] https://www.cu.edu/blog/state-authorization-newsletter/march-2025-state-authorization-updates-information

[2] https://www.cu.edu/blog/state-authorization-newsletter/author/164881
[3] https://www-chronicle-com.colorado.idm.oclc.org/article/were-in-the-midst-of-an-authoritarian-takeover
[4] https://www.ed.gov/about/news [5] https://cdhe.colorado.gov/educators/administration/state-authorization-reciprocity-agreement [6] http://www.nc-sara.org [7] https://wcetsan.wiche.edu/
[8] https://wcet.wiche.edu/