

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 2507

Chapter 234, Laws of 2006

59th Legislature
2006 Regular Session

HIGHER EDUCATION--FALSE ACADEMIC CREDENTIALS

EFFECTIVE DATE: 6/7/06

Passed by the House March 8, 2006
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate March 7, 2006
Yeas 46 Nays 0

BRAD OWEN

President of the Senate

Approved March 27, 2006.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Richard Nafziger, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 2507** as passed by the House of Representatives and the Senate on the dates hereon set forth.

RICHARD NAFZIGER

Chief Clerk

FILED

March 27, 2006 - 2:35 p.m.

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 2507

AS AMENDED BY THE SENATE

Passed Legislature - 2006 Regular Session

State of Washington 59th Legislature 2006 Regular Session

By House Committee on Higher Education & Workforce Education
(originally sponsored by Representatives Kenney, Shabro, Hasegawa,
Morrell, Rodne, Lantz and Ormsby)

READ FIRST TIME 01/31/06.

1 AN ACT Relating to degree-granting institutions of higher
2 education; amending RCW 28B.85.020 and 28B.85.040; adding a new section
3 to chapter 28B.85 RCW; adding a new section to chapter 9A.60 RCW;
4 adding a new section to chapter 28A.405 RCW; adding a new section to
5 chapter 28B.50 RCW; adding a new section to chapter 41.06 RCW; and
6 prescribing penalties.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

8 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.85 RCW
9 to read as follows:

10 (1) It is unlawful for a person to:

11 (a) Grant or award a false academic credential or offer to grant or
12 award a false academic credential in violation of this section;

13 (b) Represent that a credit earned or granted by the person, in
14 violation of this section, can be applied toward a credential offered
15 by another person; or

16 (c) Solicit another person to seek a credential or to earn a credit
17 that is offered in violation of this section.

18 (2) The definitions in section 2 of this act apply to this section.

1 (3) A violation of this section constitutes an unfair or deceptive
2 act or practice in the conduct of trade or commerce under chapter 19.86
3 RCW.

4 (4) In addition to any other venue authorized by law, venue for the
5 prosecution of an offense under this section is in the county in which
6 an element of the offense occurs.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 9A.60 RCW
8 to read as follows:

9 (1) A person is guilty of issuing a false academic credential if
10 the person knowingly:

11 (a) Grants or awards a false academic credential or offers to grant
12 or award a false academic credential in violation of this section;

13 (b) Represents that a credit earned or granted by the person in
14 violation of this section can be applied toward a credential offered by
15 another person;

16 (c) Grants or offers to grant a credit for which a representation
17 as described in (b) of this subsection is made; or

18 (d) Solicits another person to seek a credential or to earn a
19 credit the person knows is offered in violation of this section.

20 (2) A person is guilty of knowingly using a false academic
21 credential if the person knowingly uses a false academic credential or
22 falsely claims to have a credential issued by an institution of higher
23 education that is accredited by an accrediting association recognized
24 as such by rule of the higher education coordinating board:

25 (a) In a written or oral advertisement or other promotion of a
26 business; or

27 (b) With the intent to:

28 (i) Obtain employment;

29 (ii) Obtain a license or certificate to practice a trade,
30 profession, or occupation;

31 (iii) Obtain a promotion, compensation or other benefit, or an
32 increase in compensation or other benefit, in employment or in the
33 practice of a trade, profession, or occupation;

34 (iv) Obtain admission to an educational program in this state; or

35 (v) Gain a position in government with authority over another
36 person, regardless of whether the person receives compensation for the
37 position.

1 (3) The definitions in this subsection apply throughout this
2 section and section 1 of this act.

3 (a) "False academic credential" means a document that provides
4 evidence or demonstrates completion of an academic or professional
5 course of instruction beyond the secondary level that results in the
6 attainment of an academic certificate, degree, or rank, and that is not
7 issued by a person or entity that: (i) Is an entity accredited by an
8 agency recognized as such by rule of the higher education coordinating
9 board or has the international equivalents of such accreditation; or
10 (ii) is an entity authorized as a degree-granting institution by the
11 higher education coordinating board; or (iii) is an entity exempt from
12 the requirements of authorization as a degree-granting institution by
13 the higher education coordinating board; or (iv) is an entity that has
14 been granted a waiver by the higher education coordinating board from
15 the requirements of authorization by the board. Such documents
16 include, but are not limited to, academic certificates, degrees,
17 coursework, degree credits, transcripts, or certification of completion
18 of a degree.

19 (b) "Grant" means award, bestow, confer, convey, sell, or give.

20 (c) "Offer," in addition to its usual meanings, means advertise,
21 publicize, or solicit.

22 (d) "Operate" includes but is not limited to the following:

23 (i) Offering courses in person, by correspondence, or by electronic
24 media at or to any Washington location for degree credit;

25 (ii) Granting or offering to grant degrees in Washington;

26 (iii) Maintaining or advertising a Washington location, mailing
27 address, computer server, or telephone number, for any purpose, other
28 than for contact with the institution's former students for any
29 legitimate purpose related to the students having attended the
30 institution.

31 (4) Issuing a false academic credential is a class C felony.

32 (5) Knowingly using a false academic credential is a gross
33 misdemeanor.

34 **Sec. 3.** RCW 28B.85.020 and 2005 c 274 s 246 are each amended to
35 read as follows:

36 (1) The board:

1 (a) Shall adopt by rule, in accordance with chapter 34.05 RCW,
2 minimum standards for degree-granting institutions concerning granting
3 of degrees, quality of education, unfair business practices, financial
4 stability, and other necessary measures to protect citizens of this
5 state against substandard, fraudulent, or deceptive practices. The
6 rules ~~((may))~~ shall require that an institution operating in
7 Washington:

8 (i) Be accredited ~~((or be making progress toward accreditation by~~
9 ~~an accrediting agency recognized by the United States department of~~
10 ~~education. The board shall adopt the rules in accordance with chapter~~
11 ~~34.05 RCW))~~);

12 (ii) Have applied for accreditation and such application is pending
13 before the accrediting agency;

14 (iii) Have been granted a waiver by the board waiving the
15 requirement of accreditation; or

16 (iv) Have been granted an exemption by the board from the
17 requirements of this subsection (1)(a);

18 (b) May investigate any entity the board reasonably believes to be
19 subject to the jurisdiction of this chapter. In connection with the
20 investigation, the board may administer oaths and affirmations, issue
21 subpoenas and compel attendance, take evidence, and require the
22 production of any books, papers, correspondence, memorandums, or other
23 records which the board deems relevant or material to the
24 investigation. The board, including its staff and any other authorized
25 persons, may conduct site inspections, the cost of which shall be borne
26 by the institution, and examine records of all institutions subject to
27 this chapter;

28 (c) Shall develop an interagency agreement with the work force
29 training and education coordinating board to regulate degree-granting
30 private vocational schools with respect to degree and nondegree
31 programs; and

32 (d) Shall develop and disseminate information to the public about
33 entities that sell or award degrees without requiring appropriate
34 academic achievement at the postsecondary level, including but not
35 limited to, a description of the substandard and potentially fraudulent
36 practices of these entities, and advice about how the public can
37 recognize and avoid the entities. To the extent feasible, the

1 information shall include links to additional resources that may assist
2 the public in identifying specific institutions offering substandard or
3 fraudulent degree programs.

4 (2) Financial disclosures provided to the board by degree-granting
5 private vocational schools are not subject to public disclosure under
6 chapter 42.56 RCW.

7 **Sec. 4.** RCW 28B.85.040 and 2004 c 96 s 2 are each amended to read
8 as follows:

9 (1) An institution or person shall not advertise, offer, sell, or
10 award a degree or any other type of educational credential unless the
11 student has enrolled in and successfully completed a prescribed program
12 of study, as outlined in the institution's publications. This
13 prohibition shall not apply to honorary credentials clearly designated
14 as such on the front side of the diploma or certificate and awarded by
15 institutions offering other educational credentials in compliance with
16 state law.

17 (2) No exemption or waiver granted under this chapter is permanent.
18 The board shall periodically review exempted degree-granting
19 institutions and degree-granting institutions granted a waiver, and
20 continue exemptions or waivers only if an institution meets the
21 statutory or board requirements for exemption or waiver in effect on
22 the date of the review.

23 (3) Except as provided in subsection (1) of this section, this
24 chapter shall not apply to:

25 (a) Any public college, university, community college, technical
26 college, or institute operating as part of the public higher
27 educational system of this state;

28 (b) Institutions that have been accredited by an accrediting
29 association recognized by the agency for the purposes of this chapter:
30 PROVIDED, That those institutions meet minimum exemption standards
31 adopted by the agency; and PROVIDED FURTHER, That an institution,
32 branch, extension, or facility operating within the state of Washington
33 which is affiliated with an institution operating in another state must
34 be a separately accredited member institution of any such accrediting
35 association to qualify for this exemption;

36 (c) Institutions of a religious character, but only as to those

1 education programs devoted exclusively to religious or theological
2 objectives if the programs are represented in an accurate manner in
3 institutional catalogs and other official publications;

4 (d) Honorary credentials clearly designated as such on the front
5 side of the diploma or certificate awarded by institutions offering
6 other educational credentials in compliance with state law; or

7 (e) Institutions not otherwise exempt which offer only workshops or
8 seminars and institutions offering only credit-bearing workshops or
9 seminars lasting no longer than three calendar days.

10 NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.405
11 RCW to read as follows:

12 A person who issues or uses a false academic credential is subject
13 to sections 1 and 2 of this act.

14 NEW SECTION. **Sec. 6.** A new section is added to chapter 28B.50 RCW
15 to read as follows:

16 A person who issues or uses a false academic credential is subject
17 to sections 1 and 2 of this act.

18 NEW SECTION. **Sec. 7.** A new section is added to chapter 41.06 RCW
19 to read as follows:

20 A person who issues or uses a false academic credential is subject
21 to sections 1 and 2 of this act.

Passed by the House March 8, 2006.

Passed by the Senate March 7, 2006.

Approved by the Governor March 27, 2006.

Filed in Office of Secretary of State March 27, 2006.